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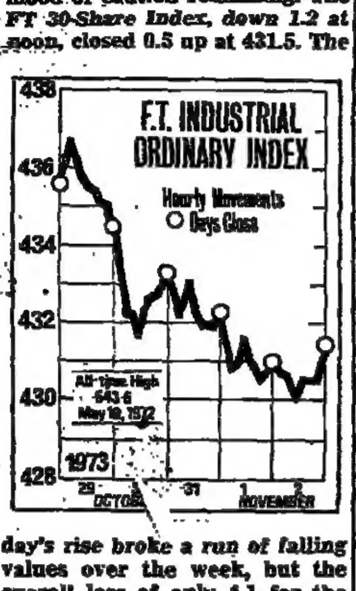
NEWS SUMMARY

BUSINESS

Wall St. loses 51.78 in a week

● EQUITIES ended the week on a steadier note but with a mood of caution remaining. The FT 30-Share Index, down 1.2 at noon, closed 0.5 up at 431.5. The



day's rise broke a run of falling values over the week, but the overall loss of only 4.1 for the period underlined the unwillingness of sellers.

● SHORT-DATED gilts were again to the fore with the short tap, Treasury 10½ per cent., 1976, gaining $\frac{1}{32}$ to 98¾. Mediums saw rises up to ¼ and some longs were ⅛ stronger.

● GOLD put on $1.25 to $98.50 an ounce—its price at the beginning of the week.

● STERLING weighted depreciation from Smithsonian parities was 18.43 per cent. (18.45). Against the dollar the rate was $2.4342 ($2.4350).

● WALL STREET lost another 13.35 to 935.28. This took the Dow Jones loss on the week to 51.78.

● TREASURY Bill Rate fell 0.0679 per cent. to 10.6017 per cent.

● SUGAR reached the record price of £108 a ton in London.

● THE GOVERNMENT is taking an extended look at BSC plans to raise prices by 13 to 14 per cent. This means that they will not now take place from Monday as intended.
Back Page

● FRENCH Finance Ministry has frozen retailers' profit margins on beef, fruit and vegetables and footwear, effective from this morning.
Page 13

● BRITISH GAS Corporation is to borrow $250m. on the Euromarkets to develop further North Sea gas.
Back Page

● ABOUT £7m. from EEC funds will be made available over the next five years for British steelworkers made redundant by rationalisation.
Back Page

● UNEMPLOYMENT in the U.S. fell from 4.8 to 4.5 per cent. last month, the lowest level for three-and-a-half years.

● BARCLAYS BANK may soon cut its charges again in the wake of the National Westminster action to eliminate charges on most current accounts.
Page 17

● TALKS aimed at settling the 14-week strike by Chrysler U.K. electricians were adjourned last night until Monday, apparently to consult the Pay Board on parts of a proposed peace formula.
Page 17

● THE GOVERNMENT proposes to legislate—for the first time this century—for powers to combat discrimination against British shipping.
Page 15

● TURNOVER on the Stock Exchange in October recovered £2,474m. to £5,891m., the highest total since May. Page 23

● J. CORAL HOLDINGS, the bookmaking and leisure group, reports a record third quarter profit of £1.45m. In the same period last year the figure was £1.29m.
Page 18 and Lex

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...nation on the ground of ...race in the giving of ...is forbidden by the ...r Bill, which the ...ent hopes will be law ...he summer.

...Bill provides for the ... of consumer lending ...ions. One ground for ...a licence is that a lender ... discrimination "on the ... of sex, colour, race or ... national origin."

...s refused

...eoffrey Howe, Minister ...sumer Affairs, had a par... hand in drafting the ...that provide for a greater ... of justice for women, ...hn Hunt. He projected ... the Government view ...men are often refused ...rely because they are ... Lenders will find it ...o refuse credit to single ...earning a good salary. ...for a 25p fee, a credit ... agency must give a ...icant a copy of his file.

...-bombs ... in jail

...s are reported to have ...iscovered in Albany ...-security prison, Isle of ... Prisoners made them by ...illing bottles with match ...nd using strips of material ...s. The Governor ordered ...h after one of the bombs ...d. ... the past week ...ave ... three mystery ... the ...

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...n schoolchildren were ... six of them seriously. ...eir coach and a lorry ... collision at Orpington. The coach party of 34 ... aged between 13 and ... two teachers from Barn... comprehensive school in ...n, Essex, were on their ...me from Gatwick Airport ... Mediterranean cruise.

...s dangerous ...r—by Enoch

...sing his Wolverhampton West constituency associa... Mr. Enoch Powell described ...bert Carr, the Home Secre... and other Ministers as ...erous men" because, he ...hey were out of touch ...eality as well as with the ...and feelings of the mass ...ople about immigration. ...2

...r peace plan

...Minister, has proposed to ...ent Nixon that Egyptian ... Golda Meir, the Israeli ...raeli forces pull back from ...e sides of the Suez Canal, ...ed sources in Washington ...e is also reported to have ...ed the creation of a ... demilitarised zone on ...de of the canal policed by ...ops. Page 14

...st to appeal

...rs acting for the Rev. ... Fell, the Roman Catholic ... sentenced to 12 years' jail ...tting an IRA terror cam... to Coventry, announced ...ay that he and three other ...ntenced to what the judge ... "deterrent terms," are to

...e for the beer

...ds of trade unionists and ...rs of the Campaign for ...le are to march on Stone, ... to-day—complete with ... band—to protest against ...posed closure of the 11th ... Joules Brewery. Many ... houses have got exten... ... help the protesters' aim ...k the town dry. Police ...sked motorists to stay ...lease.

...E PRICE CHANGES

(...in pence unless otherwise indicated)

RISES

... 6½% 1970 ...	£90½	+ ⅞
... 8½% 1980-82	£88½	+ ⅞
...arpet ...	125	+ 8
...	24½	+ 1½
... Hambro ...	358	+ 18
...	75	+ 7
...) ...	160	+ 7
...S.) ...	480	+ 15
...nds. ...	52	+ 6
...harf ...	407	+ 12
...ros. ...	123	+ 14
...at. Gas ...	730	+ 27
... Henderson ...	147	+ 10
...	247½	+ 7
...J.) ...	280	+ 10
... Western ...	95	+ 8
... Commercial	182	+ 7
...dro ...	£85¾	+ 5¾
Partridge & Love ...	162	+ 8
Pegler-Hattersley ...	180	+ 11
Robertson Foods ...	102	+ 6
Royal Worcester ...	212	+ 6
Valor Defd. ...	103	+ 7
Wolverhampton Die...	36	+ 4½
Tricentrol ...	208	+ 10
Anglo American Corp.	340	+ 5
Harmony ...	290	+ 10
Kloof Gold ...	620	+ 10
Randfontein ...	695	+ 23
Tara Exploration ...	630	+ 10

FALLS

Gulf Oil ...	£16¾	− 1
Shell Canada ...	990	− 85
Balfour Darwins ...	98	− 7
Erskine House Inv. ...	129	− 5½
Gale Lister ...	92½	− 7½
Magnet Joinery ...	264	− 8
Martin-Black ...	69	− 6
Palabora ...	540	− 20
Poseidon ...	425	− 15
Bougainville ...	149	− 4

(FT stock indices and FT-Actuaries summary Page 21.)

Nixon again pledges he will not resign

BY PAUL LEWIS, U.S. EDITOR, Washington, Nov. 2

LONELY AND BELEAGUERED in his Florida hideaway, President Nixon to-day turned again on his Watergate critics with another defiant pledge that he will never resign.

This latest challenge came after the New York Times and the Washington Post both carried prominent articles suggesting that he should throw in the towel for the good of the country and of a Western Alliance, whose unity had been tested and found wanting by Russia in recent days.

Faced with such provocation, the White House reacted angrily with another adamant declaration that "the President is giving no thought to resigning and has no intention of resigning.

"He wants to clear up the Watergate matter—not run away from it."

The truth is that all Richard Nixon's efforts to appease his critics by clearing up the scandal and innuendo that surround him are falling on stony ground. Throughout the country there is a growing feeling that his Administration has been struck a death-blow.

The affair of the missing tapes is hurting him badly. When it broke, public confidence in the Administration's integrity was at low-water mark. Now that the court has learned how aides regularly examined the secret recordings after the scandal broke, the explanation of their disappearance is arousing more scepticism than ever.

The President's case was further damaged to-day when an aide, Mr. Steve Bull, told Judge John Sirica that the President first discovered that two of the tapes he had promised to the court did not exist at least five weeks ago after he had tried to play them over at his camp David Mountain retreat.

This conflicts directly with the claim by the White House lawyers in Judge Sirica's court on Wednesday that they had discovered that two of the tapes were missing only last week-end.

It also raises more acutely than ever the question of why President Nixon offered to provide transcripts of the nine tapes requested by the court, let alone the recordings, themselves, if he knew that only seven existed.

It was on the tapes issue, moreover, that the President offered his enemies his latest concession to-day—that he would provide Judge Sirica with the notes he made after his conversation with Mr. John Dean on April 15—when the automatic White House recording machine ran out of tape.

To-day it was revealed that Mr. Nixon first discovered that recordings of two Watergate conversations were missing on September 29, more than a month before the White House said publicly that the recordings never existed.

Mr. Stephen V. Bull, a special assistant to the President told Judge Sirica that Mr. Nixon told him of this while reviewing a number of White House tape recordings at his retreat at Camp David, Maryland.

Unanswered

The days are past, however, when the President's word was believed in America and the offer of his memorandum, written up after the conversation, will not of itself answer Mr. Dean's charges that they discussed the Watergate cover-up and a plan to raise $1m. in hush-

The unanswered questions raised by the disappearance of the tapes, have also increased Congressional doubts about the President's latest plan for an independent Watergate investigation under the new prosecutor, Mr. Leon Jaworski.

There is no sign at all that the legislature is going to drop its own scheme for a rival court-appointed investigator.

Both the Senate majority leader and the leader of the House said to-day that they still favoured a court-nominated prosecutor and predicted legislation to establish one would move forward, despite Mr. Jaworski's appointment.

"The truth is that we cannot have any faith in the President on this matter," said Representative Robert Kastermeir, a senior Democrat on the House Judiciary Committee considering the legislation.

Senator Adlai Stevenson, told a Senate hearing on the Bill that "this administration cannot be trusted to investigate itself."

Thus, despite the extra guarantees of independence given to Mr. Jaworski and which his dismissed predecessor, Dr. Cox, never enjoyed, Congress and the White House are still firmly set on a collision course over this high-charged question.

Moreover, the President's plans to make Senator William Saxbe his latest Attorney General are also in danger of falling victim to the controversy.

There is a clear reluctance by the Senate Democratic majority to confirm the nomination until it has got satisfaction on the Watergate prosecutor and the question of the missing tapes has been cleared up.

The majority leader, Senator Mansfield, said outright to-day that he was opposed to interrupting the Judiciary Committee's hearing on a new prosecutor in order to expedite the Saxbe confirmation.

Even on the diplomatic front, the President's luck seems to be deserting him. There is no sign that his talks with the Israeli Premier yesterday or with the Egyptian Foreign Minister have succeeded in breaking the impasse over the Middle Eastern cease-fire, which is threatening his plans for a permanent settlement as well as the truce itself.

Refusal

This morning the State Department threw a veil of secrecy round the intensive diplomacy that is still going on. But it did not disguise the fact that matters are not going well, with the Egyptians refusing to move any further towards peace negotiations until the Israelis give back territory captured since the October 22 cease-fire came into effect.

As the Watergate crisis has deepened, he has become increasingly restless, seldom spending more than a few nights in any place.

This latest move, however, inevitably brought renewed speculation that he might be considering throwing in the towel.

The latest converts are Mr. Joe Alsop, a columnist who has been one of Mr. Nixon's strongest supporters in the past, in a slightly more qualified fashion, Mr. James Reston and Mr. Tom Wicker of the New York Times.

It was the simultaneous appearance of articles by all three this morning suggesting that the President should go that brought the latest in a long series of defiant White House denials.

EEC talks with major oil companies

BY ADRIAN HAMILTON

REPRESENTATIVES OF the EEC member-countries and officials from the EEC Commission met yesterday in secret talks with major oil companies in Brussels to discuss Europe's oil supply situation in the light of the Arab embargoes on shipments to Holland.

The meeting followed immediately on Saudi Arabia's decision to join the ban on oil exports to Rotterdam this week as well as an informal meeting of oil companies and OECD officials in The Hague on Thursday.

Although a number of European countries are still reluctant to share out remaining oil supplies or to form a common front of consumers at present, the situation over Dutch oil supplies clearly provides an urgent test of both EEC and OECD unity.

With almost all the Arab producers banning Dutch supplies, Holland is now effectively deprived of some 65-70 per cent. of its normal oil imports. This must inevitably affect other European countries dependent on re-exports from Holland for their supplies.

Shipments to Rotterdam from Saudi Arabia alone total towards 1m. barrels per day, the great bulk of which goes on to Germany, Belgium and Scandinavia in the form of crude oil transhipments and product exports.

Allocation

In implementing its decision, however, the Saudi Government does not appear to have cut production or off-take in line with its destination embargo on Holland, so that theoretically these supplies could be diverted to other parts of Europe.

It was presumably to discuss the possibilities of diverting oil elsewhere, of attempting to rationalise movements within the EEC and of instituting a general allocation system in Europe that the meeting in Brussels took place.

The meeting precedes a full meeting of the Council of Ministers early next week in which the Dutch Government has already expressed its intention of calling on other Governments to show "solidarity" with it on the oil question.

How ready a response Holland will get remains uncertain. France and Britain, in particular, feel their own privileged position with the Arabs should not be compromised by a general sharing while many of the consumer countries also fear taking any formal co-operative action that might be interpreted as a confrontation posture by the Arab producers.

Against this, Arab cut-backs have now reached a point where some 15 per cent. of Western Europe's overall supplies are being shut off.

Several of the major oil companies are arguing strongly that their supply systems and their international commercial commitments demand an allocation system be introduced to even out the effects.

European unity itself is being undermined by the decision of individual countries to introduce controls on exports — a move in which Holland could cause considerable problems if it shut off its own exports to preserve supplies.

Under these conditions, what the EEC may well be seeking at present is some informal type of European supply allocation which avoids the drama of public action but nevertheless does something to satisfy the worries of those harder hit by the current cut-backs.

Continued on back page

ON OTHER PAGES

Engineers' protest strike will hit cars, papers and steel

BY JOHN WYLES, LABOUR REPORTER

NATIONAL NEWSPAPERS, engineering, shipbuilding, steel and motor cars are expected to be among industries to be hit by 24-hour stoppages on Monday in protest at the £75,000 fine imposed on the Amalgamated Union of Engineering Workers by the National Industrial Relations Court.

Department of Employment conciliation officers are expected to make a bid early next week to start peace talks on the recognition dispute at Con-Mech (Engineers), of Woking, which is at the centre of the AUEW engineering section's confrontation with the NIRC.

The starting point for peace moves is likely to be the recommendation of the Commission on Industrial Relations that the company should give the AUEW rights to represent a group of its workers.

Mr. Hugh Scanlon, the AUEW president, said yesterday that despite the CIR's support for the union's recognition claim, the invitation to members to stage protest action against the fine for contempt of the NIRC still stood.

The fine followed the union's refusal to obey a NIRC order to call off a strike at Con-Mech.

More than 700,000 engineering workers in main manufacturing areas of the North, North-West, Midlands and South-East have been urged by local officials and shop stewards committees to stop work for 24 hours on Monday.

The call makes it virtually certain that no national and evening newspapers will be printed in London on Monday and production in Manchester may also be hit. Stoppages planned at Heathrow Airport may disrupt airline services.

In the car industry, British Leyland expects production to be halted in at least 20 of its plants, including its main manufacturing centres at Cowley and Longbridge, Birmingham.

Ford Motor has warned 12,000 workers at its engine and foundry plants at Dagenham that it does not expect to be able to offer work on Monday. In addition the transmission section of the company's plant at Halewood on Merseyside is also likely to be shut.

Vauxhall Motors production is already paralysed by a dispute so that, ironically, Chrysler U.K., which has been badly hit by strikes this year, may be the only major car manufacturer to escape serious disruption on Monday.

This is because engineering shop stewards in the Coventry area, where the company has two major plants, have not yet decided on action while the Chrysler's Linwood plant in Scotland may not be hit until November 12, the date selected for action by Glasgow area shop stewards.

Militant

Elsewhere, engineers at Cammell Laird's shipyard, Birkenhead, are likely to stay at home as will large numbers in the traditionally militant areas around Manchester and Sheffield.

Many engineering companies in both cities will be hit as well as British Steel Corporation plants in Sheffield. In a different form of protest, 30,000 engineers on Tyneside have banned overtime for a month. Swan Hunter last night laid off 55 men because of the ban.

Many of the areas in which action will be taken are those where there were stoppages in a similar protest over the £61,000 in fines and costs taken from the AUEW in the case of James Goad, a year ago.

Shop stewards in some districts, notably in the east of Scotland, have rejected the invitation to protest on Monday and others have not bothered to call meetings to discuss the matter.

Senior management at Con-Mech, whose legal moves started the latest clash between the AUEW and the NIRC, discussed the CIR's recognition recommendations yesterday.

Mr. Robert Dilley, the company's chairman, refused to comment on the CIR report and has given no indication that he is prepared to use its findings as a basis for peace negotiations.

If there is an eventual settlement of the recognition strike by the AUEW's nine members, the union is still likely to face a compensation claim from Con-Mech at the NIRC.

In the meantime, the court is showing no sign of calling an early hearing of evidence of any continuing contempt by the union.

The AUEW's policy of boycotting the NIRC drew an expression of Government concern in the Commons yesterday. Without referring directly to the Con-Mech dispute, Mr. Robin Chichester-Clark, Minister for Employment, said that if a union had a good answer to a case which it refused to put "then it must take the consequences which any other corporate body or individual would have to do."

Mr. Reg Prentice, the "shadow" Employment Minister, blamed the Government and the Industrial Relations Act for the situation. But he also criticised AUEW policy, saying that the union was not serving its members by paying ever increasing fines.

£ in New York

—	November 3	Previous
Spot	$2.4351-4356	$2.4356-4365
1 month	0.57-0.60 dis	0.75-0.71 dis
3 months	2.40-2.30 dis	2.45-2.41 dis
12 months	9.70-9.50 dis	9.85-9.75 dis

Surprise deal raises hopes of settling fire pay dispute

BY JOHN WYLES, LABOUR REPORTER

FIRE BRIGADES Union leaders and local authority employers last night agreed a surprise new pay deal within the Government's Stage Three limits which may quell unrest over firemen's pay and conditions.

In secret wage talks, the two sides agreed one of the first Stage Three settlements which will give 27,000 firemen increases of up to £7 a week. The deal, it is understood, will replace a settlement made at the end of September which would have given lower increases within the Stage Two limits from the end of this month.

The new agreement, which will be implemented from November 7, will be recommended to a special delegate conference of the FBU.

It may offer the key to a settlement of the Glasgow firemen's pay strike and encourage men in more than a dozen other brigades to abandon protest action over their pay and conditions.

In addition to the pay increases, which include benefits under the unsocial hours provisions of the Stage Three rules, the employers' side of the fire service national joint council has agreed to cut the firemen's working week from 56 to 48 hours from November 8, 1974. This reduction will cost the fire services an estimated £5m.

In a joint statement last night, employers and the union said they would be seeking approval for the deal from Mr. Robert Carr, the Home Secretary, at a meeting on Monday.

Before it can be implemented, the settlement will need the approval of the Pay Board. It was received with surprise by firemen's district officials last night. Mr. Bill Walsh, FBU London district secretary, said that it would be welcomed by firemen who have been critical of the union leadership's handling of the Glasgow dispute and of the general pay and conditions problems.

The week in London and New York

Equities ease back gently

Wall Street and its series of sharp plunges stole practically all the headlines this week, putting in the shade a sedate downward movement in London. Over the three days to Thursday the Dow Jones had tumbled virtually 36 points while in London equities eased back gently with the FT Industrial (30-Share) index closing the week 4.1 points lower at 431.50.

Up to Friday sentiment had been growing steadily more depressed and dealing volume has been a straight reflection of the malaise; on Thursday and Friday, bargains marked averaged 7,500 against Monday's best for over four months of 9,000 plus. At present equities face so many problems—international as well as domestic—that it is difficult to pinpoint the catalyst to waning investor interest. But eventually all arguments boil down to the economy and its progress.

Despite Mr. Heath's assurances about the availability of oil supplies for this country, the Middle East situation has highlighted once again just how finely balanced is the Government's anti-inflationary strategy. At the same time this week's latest survey from the CBI underlined the economic problems on the factory floor by pointing to labour and raw material shortages. For the moment "doubt" is the one short-term adjective freely in use.

As for the week in general, the Sime Darby scandal caused the biggest stir, initially dropping the Sime share price from 128p to 108p. Meantime some sizeable slabs of industry look to be changing hands without a murmur. De La Rue is selling its Potterton division to Birmid Qualcast for nearly £8m. while Albright and Wilson is passing on its chrome chemicals business to Harrisons and Crosfield for £8½m.

TOP PERFORMING SECTORS IN FOUR WEEKS TO NOVEMBER 1

	% rise
Property	15.8
Discount Houses	9.1
Banks	6.9
Hire Purchase	6.5
Newspapers, Publishing	5.5
Household Goods	5.1
All Share Index	2.3

THE WORST PERFORMERS

	% fall
Office Equipment	2.1
Machine & Other Tools	2.4
Motors & Distributors	3.9
Entertainment & Catering	3.4
Shipping	5.8
Insurance (Brokers)	7.1

Steel price prospects

This year's rationalisation of the special steels sector was taken a stage further on Tuesday when Dunford and Elliott made its expected bid for Brown Bayley, at the same time providing a further demonstration of its own qualities with the announcement of a 41 per cent. increase in pre-tax profits on a sales advance of 23 per cent. Meanwhile general prospects for private steel were enhanced, first by the news that substantial price rises were in the pipeline from the BSC, and would probably come into force next week, and secondly by the BSC's statistics, released to the Commons on Thursday, which showed gaps of up to 79 per cent. between British and Continental steel prices.

With the formation of Johnson and Firth Brown earlier this year in the face of competition from Dunford, the prospects for further rationalisation in this area look limited. Speculation will now inevitably concentrate on Samuel Osborn, mainly because of Oliver Jessel's 20 per cent. stake rather than because the company appears to fit easily into any existing group. With regard to general prospects, as the BSC comes more under the influence of the ECSC, it will be under pressure to raise its prices. The figures, published on Thursday, demonstrate the scope and such increases would do more than just relieve the margin pressure which nationalised competition has meant for the private steel producers.

Banks: cheques and balances

Free banking for 3m. out of 4m. current account customers was the theme of National Westminster Bank's statement on reduced bank charges on Thursday. By maintaining a minimum credit balance of £50 customers can avoid all charges; if the balance dips under £50, costs will still be lower than before. All well and good, although rival banks could point out that Natwest has generally been more expensive than the other big three to bank with up to now. It is also worth noting that the new scales will not apply until next year, while Natwest's "wholesale review" of its charging methods has failed to produce any revolutionary proposals.

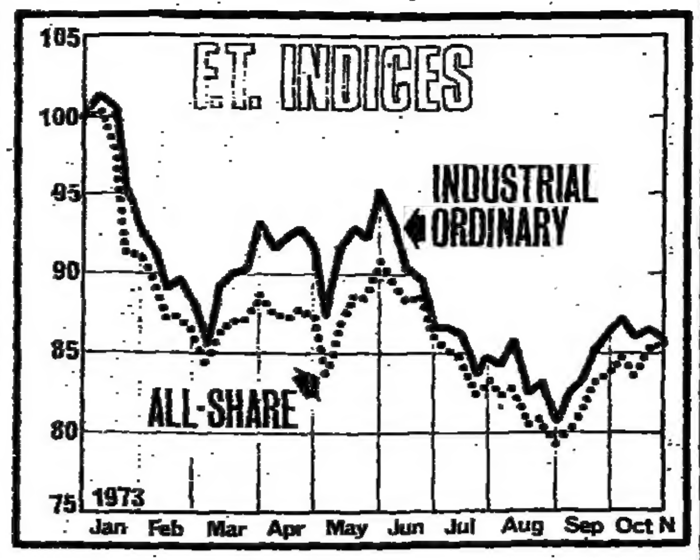
A variable interest allowance on current accounts might have eliminated the "endowment" effect, for instance, and the quality of clearing bank earnings would have been considerably improved. At any rate, the shares of the clearing banks moved little yesterday, and they seem to be consolidating the spurt which has taken them up around 15 per cent. from the early September lows, roughly twice as fast as the All-Share Index. That still leaves them trailing the All-Share for the year so far, however—particularly Midland which may have suffered a hangover from the Montagu Trust takeover. Now that the lenient treatment of the banks in Stage Three has cleared some of the political clouds hanging over 1974, the question is whether the market will soon be thinking in terms of the traditional year-end punt on the results.

Long odds for double knitters

The prices of cotton and wool have now risen three-fold over the past year and a half which (in theory at least) ought to make for healthy trading days among the knitters of synthetic yarn. But Fairfax Jersey this week unveiled profits to June lower by almost a quarter pre-tax: as for share prices, the whole double knit sector is sitting on a 1973 low. Synthetics it seems are just plain out of fashion despite all the arguments about durability and ease of maintenance.

Right now the major hope for the double knitters lies with specialisation into higher margin yarns. Textured Jersey already has perhaps two-thirds of its production geared to creating a "natural look" while Fairfax specialises in finishing processes. But the double knit market is still dominated by over-capacity and price barriers. Fairfax, Textured, Nova Knit and CBR probably account for less than a fifth of the U.K. market which leaves the big volume producers—Courtaulds and Carrington Viyella—calling the tune on selling prices.

However, the industry's over-capacity problems may be easing. Two private companies have recently gone to the wall and with the price of polyester now hardening others may well follow. Moreover, double knit is the archetypal high-volume, high-return industry and some people now reckon to see the first signs of reviving demand. The sector has been something of a punter's favourite in the past and Fairfax for one—11 per cent. yield and 7½ net p/e—gives a clear indication of the length of the current odds.



MARKET HIGHLIGHTS OF THE WEEK

	Y'day	Change on Week	1973 High	1973 Low	
F.T. Ind. Ord. Index	431.5	— 4.1	509.5	404.8	Short-term economic worries
Savings 3% 1965/75	£91½	+ 1⅛	£92¾	£88⅞	Short low-coupon stocks bought
Allen (W. G.)	76	—22	107	58	Abortive bid approach
Anderton Forco	102	+ 9	110	69	Aurora Gear offer
BPB Industries	122	—22	183	122	First-half profits setback
Bandanga	130	+20	130	55	Demand in a thin market
Brown Bayley	73	+ 8	76	48	Agreed Dunford & Elliott bid
Clairmace	63	+17	69½	46	Revived buying interest
Cook & Watts	36½	+14	37	18	Bid from Courtaulds
De La Rue	234	+15	275	218	2nd-Qtr. profits advance
Land Investors	152	+17	156	88	Speculative demand
Sheaf Steam	260	+36	278	222	Buying ahead of results
Sime Darby	106	—20	201	96	Chairman's dismissal
Steel Bros.	185	+12	200	157	First-half profits rise
Tate & Lyle	169	+10	190	156	Revived demand
Tower Assets	95	+12½	95	55	Merger talks with Tremletts
Town Centre Secs.	97	+16	91	52½	Preliminary statement
Tricentrol	208	+22	210	145	North Sea optimism
Whittingham (W. M.)	135	+25	135	66½	Demand in a thin market
Yukon Consolidated	105	+14	108	48	Interest in Lornex copper mine

Dividends and Stage 3

The Stage Three concession that dividend restraint would not apply to new companies formed out of amalgamations and reconstructions raised a few eyebrows in the City. On the face of it a fairly large loophole had been created whereby companies could manipulate their dividend policy by structural alteration of their organisation or business.

Under Stage Two, new companies were exempt from dividend restraint, while reconstructed companies or companies who had changed considerably as a result of mergers or takeovers were obliged to go to the Treasury for guidance on dividend policy. Now these companies have been lumped in with "start up" companies (for example, new issues) as far as dividend restraint is concerned.

However, the concession is not what it seems and when the Treasury says "new" it apparently means just that. To escape the dividend regulations a company must have been recently incorporated. If two existing companies merge by scheme of arrangement with a new holding company registered to acquire the two businesses they will indeed escape dividend restraint under Stage Three. But if the same deal is done by an existing corporate body taking over the other party, then dividend limitation continues.

All that has really happened is that after the practical experience of a number of months the Treasury has decided that the virtually automatic reference of merger or reconstruction situations to them is unnecesary. And in almost every case the cost and effort involved in setting up a scheme based on the incorporation of a new company will far outweigh any potential advantage that could be gained from freedom of action on dividend policy, so that the apparent loophole hardly exists.

Onlooker

Delayed shock

BY NICHOLAS COLCHESTER

THE FIRST feel of a fuel oil allocation programme this week brought home to Wall Street a war that it had blithely ignored. New and absurd developments in the Watergate story further undermined the teetering Presidency, and at the same time there were signs that the U.S. economy might have turned downwards more abruptly than had been expected. Together these factors overcame the stock market's determined optimism and the Dow Jones industrial average plunged 51.78 to 935.28 over the week.

If this was just a "downward correction," then it was one of an emphatic nature. The spread of declining stocks was very broad and the trading volume was high. A number of blue-chip stocks were hard hit, the glamours continued to suffer and after four days Walt Disney Productions and Polaroid were both at 1973 lows of 67¾ and 95½. None of this was very consistent with a fund manager's idea of a bull market.

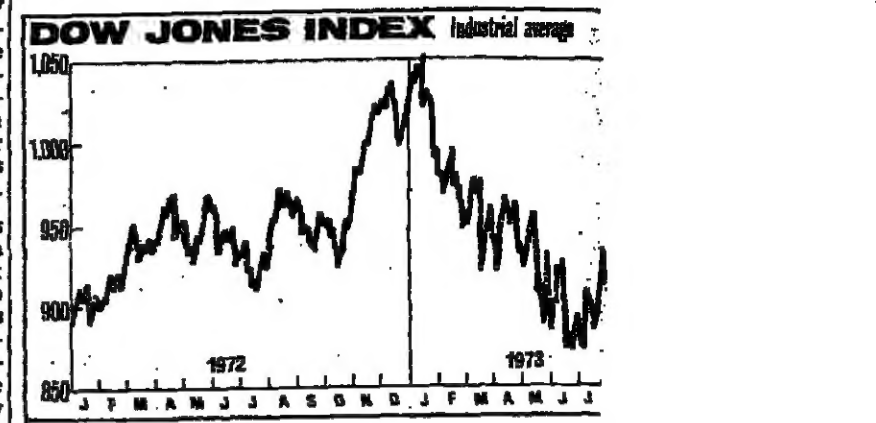
The growing awareness of the oil shortage that is now firmly predicted for this winter spread its effect beyond the oil stocks, which were quite firm this week, to the companies that Wall Street considered vulnerable to a lack of oil. The chemical companies took a hammering with Dupont falling from 201½ to 184⅜ while Dow Chemical dropped seven points to 60½. The airline sector suffered (rather illogically) as the airlines cut back on the frequency of their flights. Walt Disney's weakness was due to fears that family-crammed station wagons would no longer be rolling down the turnpikes to that company's attractions. Howard Johnson's stock dropped 3⅜ to 16½ for the same reason.

Inevitably Detroit's stocks were also weakened by oil fears. The 1974 model year got off to a bad start as consumers shifted their orders into the small car market, grumbled about a new system that prevents cars starting unless seatbelts are fastened, and generally showed a declining propensity to walk into the show room. There was marked reticence in the consumer sector, the normally bullish and Company to say, recent economic sta suggestive of a more pronounced weakening we have been expe they bear very caref ing in the weeks ahea

With this sort of doubt in the investor seems probable that which has already advance behind it less robust. It is the market's new he squared exactly with ance in the decline market rates. It was Thursday night that commercial banks ha First National City B of the previous Frida ing its prime rate to 9

The oil stocks were on one hand by the tion that still exist Middle East and bo the other by a roun price rises to pass rise in world cru through to the consu International oil weakened on balance domestic producers British Petroleum, appeared well sprea the Middle East, the and Alaska, was actively traded and Thursday unchanged

On the list of ac three notable losers child Camera, Gillette Financial. Fairchild an abrupt reversal in ment that drove conductor stocks gantly upwards market's recent bull four days it dropped Gillette reported po for its most recent fell 2½ to 43. CNA reported a loss of September quarter same time its merge Oil was indefinitely Its price fell from 1



MINES IN THE NEWS

Not so mellow mists

BY KENNETH MARSTON

WE ARE nearing the close of the season of mists and mellow fruitfulness, but mining shareholders with a more practical than poetic turn of mind might well regard it as the season of "ifs" and "buts" which looks like having a good way to run yet. Golds, for a start, are particularly difficult to assess as far as the near outlook is concerned.

The bullion price remains the key factor and allowing for the one-month time lag between sales and money receipts, the mines will have received an average of about $104 per ounce for their gold in the first two months' operations applicable to current quarter's results. The December quarter profits thus look like coming back from the record levels reached for the September quarter when the price received averaged $110.

On the other hand

Even so, they should still be good and it is worth remembering that the share index has retreated some 27 per cent. from its July peak. Meanwhile, the half-year dividends will be coming along during the middle of next month, and apart from making a good showing they will put the yield situation into some sort of perspective.

Blyvoor has forecast this week that its dividend for the year to next June will be increased "considerably," starting with the interim in December. Market guesses are that the year's total will rise to the region of 55 cents (33.7p) which would put the shares at 375p on a yield of 9 per cent.

Harmony hopes to lift its dividend total for the same period to 50 cents (30.7p) which would mean a yield of 10.6 per cent. at the current price of 290p. This news partly reflects the first fruits of the expansion and rationalisation programme which has been made possible by the acquisition of the neighbouring Virginia and Merriespruit mines.

In order to make the most of this relatively low grade area of the Orange Free State in the face of rising costs, Harmony is now running a "super mine" in terms of the amount of ore milled. Last quarter it pipped the richer Vaal Reefs to achieve the highest monthly ore milling rate in South Africa of 476,000 tons and the current expansion aims at a target rate of 540,000 tons by 1976.

Also expecting to pay more in the current year to next June is South Africa's Anglo-Transvaal Consolidated which, as you can see from this week's chart, did pretty well last time. The past year's record investment income was split up as to gold and uranium 37 per cent., minerals and metals 16 per cent., industrial interests 34 per cent., mining finance 13 per cent.

The 25.1 per cent.-owned Prieska copper-zinc mine in the Northern Cape which started up in October last year is now pulling out of its full share of teething troubles and is expected to reach full production, as planned in mid-1974. Providing metal prices keep up it should then make a material contribution to profits of Anglo-Vaal and, particularly, to those of Middle Witwatersrand Areas which has a 24.1 per cent. stake in the venture.

But they're trying

Plenty of "ifs" and "buts" surround the Australian share market which has suffered a severe loss of overseas investment confidence as a result of the nationalistic line being taken by the Labor Government there.

Bombed-out as they may appear, good-class Australian stocks are still not cheap by bombed-out U.K. standards, although investors in Australia are prepared to accept the relatively less generous dividend yields because of the restrictions on investing money outside the country.

Furthermore, the boom in demand for metals with the accompanying advance in their prices is now, in many cases, outweighing the adverse effects on profits of the currency upvaluations.

Generally speaking, the Australian market is one that is itching to go better and will do so, given the least encouragement. Even the hard-pressed nickel miners have perked up this week on vague talk of a coming increase in the Canadian-controlled metal price.

Meanwhile the U.K.-registered Selection Trust and Consolidated African Selection Trust have decided to soft-pedal on their Agnew nickel discovery in Western Australia, saying that viability studies will now be continued into 1974 instead of being completed by the end of this year as previously planned.

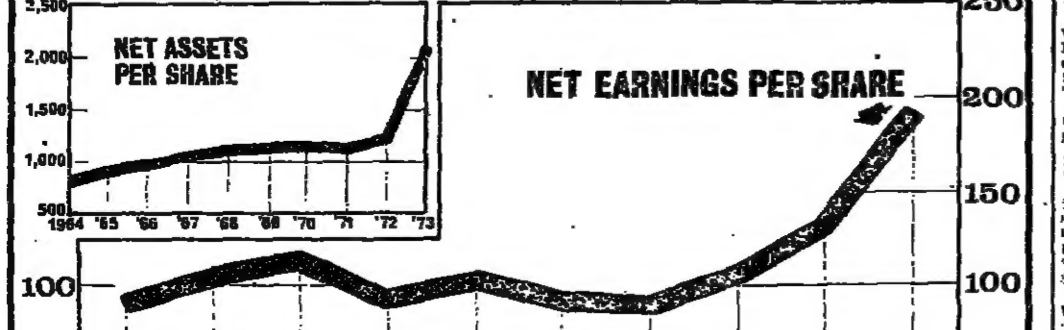
At the moment CAST has rather more money than it knows what to do with, profits for the year to June 30 having been boosted by an exceptional income from the State-controlled Sierra Leone diamond operations to £1.68m., or 9p per share, compared with a loss of £0.5m. last time after writing off £1.5m. from the ill-fated Sar Cheshmeh copper venture in Iran.

Awaiting agreement on the terms for the Government takeover of its Ghana diamond operations, CAST has bought a half-share in a Canadian lime operation which, they tell me, is a good business to be in at the present time. Having plenty of cash in the bank, ownership of a sizeable amount of nickel in the ground and a continuing flow of income from diamonds CAST should be one of the many shares to respond sharply when U.K. dividend restraint is eventually relaxed.

Accumulating

So too, will those of Rio Tinto-Zinc which is harvesting plenty of mellow fruitfulness in this record year. Holders of the ordinary shares, you will remember, were recently given the opportunity to convert them into non-dividend paying accumulating shares.

Hopefully, as always, I considered that the offer was worth following up and suggested that the newcomers would fetch more than the existing shares in the market when dealings started. Happily this has happened, the accumulating shares being 228p yesterday compared with 225p for the ordinary. Only some 12½ per cent. of the shares were so converted and their relative scarcity value may help to sustain a premium until October when the next conversion opportunity comes round.



TV/Radio

† Indicates programme in black and white.

BBC 1

9.00 a.m. Barnaby. 9.15 Hair Bear Bunch. 9.35 Golden Silents. 10.00 Zarabanda. 10.25 Reportage. 10.50 The Virginian. †12.05 p.m. Laurel and Hardy in "Going Bye Bye." 12.25 Weekend Weather.
12.30 Grandstand: 12.40 Football Preview; 1.05, 1.40, 2.10 Racing from Haydock Park; 1.20 International Boxing; 1.55, 2.25, 4.30 Rallycross; 2.50 Rugby League from Wembley: First Test Match, Great Britain v Australia; 4.40 Final Score including a recording of the final race of the flat season.
5.05 Who, What or Where?
5.25 News and To-day's Sport.
5.40 Wonderful World of Disney.
6.25 Bruce Forsyth and the Generation Game.
7.15 It's Lulu.
8.05 Men of Action: "A Distant Trumpet," starring Troy Donahue and Suzanne Pleshette.
9.55 News.
10.05 Match of the Day.
11.05 Parkinson (including Professor J. Bronowski).

All Regions as BBC 1 except at the following times:—

Wales—5.40-5.55 p.m. Cartoons. 5.55-6.25 Dere i Drageyddoldeb. †12.07 a.m. News of Wales.

Scotland—4.55-5.05 p.m. Sportsreel (and 5.35-5.40). 10.00-10.30 The Songs of Scotland. 10.30-11.00 Sportsreel. 12.07 a.m. Scottish News Headlines.

Northern Ireland—3.15-4.00 p.m. Rugby Union Football: Ulster v Argentine. 4.55-5.05 Scoreboard. 5.35-6.40 Northern Ireland News. †12.07 a.m. Northern Ireland News Headlines.

BBC 2

†3.00 p.m. Saturday Cinema: "We Willie Winkie," starring Shirley Temple.
4.35 Play Away.
5.05 Saturday Request.
5.55 Man Alive.
6.55 Westminster.
7.20 News, sport and weather.
7.30 Rugby Special: Ulster v The Argentinians.
8.05 Grubstreet.
8.35 2nd House.
10.05 The Golden Bowl, part 1.
10.50 Beyond a Joke.
11.20 News on 2.
†11.25 Midnight Movie: "I Saw What You Did," starring Joan Crawford.

LONDON

9.05 a.m. Cover to Cover. 9.30 Improve Your Bridge. 9.55 Joe 90. 10.20 The Amazing Chan and the Chan Clan. 10.55 Junior Police Five. 11.00 The Partridge Family. 11.35 Tarzan. 12.30 p.m. News from ITN.
12.35 World of Sport: 12.40 On the Ball; 1.05 International Sports Special (part 1): Australian Rules Football; 1.30, 2.00, 2.30 and 3.00 Racing from Newmarket; 1.45, 2.15 and 2.45 Racing from Sandown; 3.10 International Sports Special (part 2): Covered Court Lawn Tennis, Dewar Cup; 3.50 Results, scores, news; 4.00 Wrestling; 4.50 Results Service.
5.10 News from ITN.
5.20 New Faces.
6.00 Doctor in Charge.
6.30 Sale of the Century.
7.00 Movie of the Weekend: "Thunderhead — Son Of Flicka," starring Preston Foster and Roddy McDowall.
8.30 Upstairs, Downstairs.
9.30 News from ITN.
9.40 Who Do You Do?
10.10 "The St. Valentine's Day Massacre," starring Jason Robards.
12.00 The Artist as Believer.
12.10 a.m. Shirley's World.

All ITV Regions as London except at the following times:—

ANGLIA

9.55 a.m. Rammy Ramsters Adventures on the Riverbank. 10.05 The Amazing Chan and the Chan Clan. 10.35 The Saturday Morning Film: "Just for You," starring Bing Crosby. 12.20 p.m. Cartoon. 5.20 The Partridge Family. 5.50 New Faces. 7.00 Doctor in Charge. 7.30 Hawaii Five-0. 9.40 The Great Films of the Sixties: "The Chase," starring Marlon Brando, Jane Fonda and Robert Redford. 12.10 a.m. At The End Of The Day.

ATV MIDLANDS

9.15 a.m. Cover to Cover. 9.40 Improve Your Bridge. 10.05 Joe 90. 10.35 Merrie Melodies Show. 11.00 Family Affair. 11.25 Cartoon. 11.35 Tarzan Adventures. 6.00 p.m. The Partridge Family. 7.00 Doctor in Charge. 7.30 "Cades County," starring Glenn Ford. 9.15 Double Top. 9.40 Upstairs, Downstairs. 10.40 Aquarius. 11.25 Bonanza.

BORDER

10.35 a.m. Woobinda—Animal Doctor. †11.05 "Abbott and Costello Go to Mars." 6.00 p.m. Bless This House. †6.30 Border Sports Results. 6.35 Week-end Action Film: "The Six-Million Dollar Man." 8.00 Doctor in Charge. 9.40 Great Films of the Sixties: "Hell to Eternity," starring Jeffrey Hunter. 11.55 Here We Go Again.

CHANNEL

10.50 a.m. Film Fun With . . . "Abbott and Costello Go To Mars." 12.10 p.m. Puffin's Birthday Greetings. 12.15 Cartoontime. 6.00 The Partridge Family. 7.00 Doctor in Charge. 7.30 The Saturday Film: "Life with Father." 9.40 Upstairs, Downstairs. 10.40 Aquarius. 11.25 Life in France. 11.35 Spyforce.

GRAMPIAN

10.55 a.m. Mathman. 11.15 The Amazing Chan and the Chan Clan. 11.45 Ron and Friends. 6.30 p.m. The Sky's the Limit. 7.00 Saturday Cinema: "I'd Climb the Highest Mountain," starring William Lundigan. 9.40 Anna and the King. 10.10 Saturday Feature: "Sex and the Single Girl" starring Tony Curtis and Natalie Wood.

GRANADA

10.05 a.m. Sesame Street. †11.05 Pete Smith. †11.15 "Our Little Girl," starring Joel McCrea. 6.30 p.m. Kung Fu. 7.30 Barnaby Jones. 9.40 Great Films of the 'Sixties: "The Chase," starring Marlon Brando, Jane Fonda and James Fox. 12.05 a.m. Theatre of Stars.

HTV

9.55 a.m. Rammy Ramster's Adventures on the Riverbank. 10.10 Sesame Street. 11.10 Orbit. 11.35 Joe 90. 12.00 The Partridge Family. 7.00 p.m. Saturday Film, "Sea Wife," starring Richard Burton and Joan Collins. 9.40 Billy Liar. †10.10 "Whatever Happened to Baby Jane," starring Bette Davis and Joan Crawford.

SCOTTISH

9.30 a.m. Improve Your Paging. 10.07 The Field Pretenders. †10.40 Feature Mother Riley's Jungle Tr Saturday Cavalcade prese Michael. 6.00 p.m. The Par 6.30 The Sky's The Limit in Charge. 7.30 Saturday Last Wagon," starring Ric 9.40 Upstairs, Downstairs. 11.25 Late Call. 11.30 Mann

SOUTHERN

10.40 a.m. Regional Wea †10.45 "St. Louis Blues," "King" Cole and Eartha The Saturday Film: "City starring Jeanne Crain and son. 9.40 Kung Fu. 10.40 10.45 The Late Saturday Must Fall," starring Alber Susan Hampshire.

TYNE TEES

10.00 a.m. The Merrie M 10.25 Arthur. 10.55 Popeye. day Morning Cinema: Costello Go To Mars." 6. This House. 6.30 The W Movie: "The Six Million 8.00 Doctor in Charge. 9.4 of the Sixties: "The Ch Marlon Brando and Jane Fo U.F.O. 1.00 Lectern.

ULSTER

10.30 a.m. Yoga for Sesame Street. 12.15 p.m. House. 5.20 Sportscast. Faces. 7.00 Doctor in Char day Night at the Movies: Runner," starring Frank Upstairs, Downstairs. 10. Burns Hour. 11.40 The D

WESTWARD

10.05 a.m. Cover to Cov 9h. †10.50 Film Fun with And Costello Go To Mars Gus Honeybun's Birthdays. and the West. 6.00 The Part 7.00 Doctor in Charge. 7.30 Film: "Life with Fath William Powell. 9.40 Ups stairs. 10.40 Aquarius. and the West. 11.35 Spyforce Faith for Life.

YORKSHIRE

10.00 a.m. The Merrie M 10.25 Skippy. 10.55 Popeye. day Morning Cinema: " Costello Go To Mars." 6. Comedians. 6.30 The Wee Film: "The Six Million Dolla Doctor in Charge. 9.45 Great Sixties: "The Chase," star Brando, Jane Fonda and Rob 12.05 a.m. U.F.O.

RADIO 1 247m

(S) Stereophonic broadcast

Time, traffic, and News summaries at 5.00 a.m., 5.30, 6.00, 6.30, 7.00, 7.30, 8.00, 8.30, 9.30 and every hour on the half-hour until 1.30 p.m., 3.30, 4.30, 5.30, 7.30, 9.00, 10.00, 12.00, 1.00 a.m., 2.00. Weather at 5.02 a.m., 5.32, 6.02, 6.32, 7.02, 7.32, 8.02, 9.32, 2.02 a.m.

5.00 a.m. As Radio 2. 8.06 Ed Stewart with Junior Choice (S). 9.55 Stuart Henry. 12.00 The Rosko Show. 2.00 p.m. The Story of Pop (S). Also on VHF. 3.00 Alan Freeman (S). Also on VHF. 5.00 David Simmons (S). Also on VHF. 6.30 In Concert (S). Also on VHF. 7.30 As Radio 2. 10.02 Sounds of the 70s (S). Also on VHF. 12.00-2.02 a.m. As Radio 2.

RADIO 2 1,500m and VHF

Time, traffic, and News summaries at 5.00 a.m., 5.30, 6.00, 6.30, 7.00, 7.30, 8.00, 8.30, 9.30, 10.00 and every hour on the hour until 2.00 p.m., 6.00, 7.30, 9.00, 10.00, 11.00, 12.00, 1.00 a.m., 2.00. Weather at 5.02 a.m., 5.32, 6.02, 6.32, 7.02, 7.32, 8.02, 9.32, 6.02 p.m., 2.02 a.m.

5.00 a.m. News Summary. 5.02 Bruce Wyndham (S) with The Early Show including 8.03 Racing Bulletin. 8.06 As Radio 1. 9.55 For Younger Listeners. 10.02 Ray Moore (S) introduces special guests Marian Montgomery, The Sound of Horns with the BBC Radio Orchestra. 12.02 p.m. The Jackie Rae Show (S). 1.02 Parade. Sidings. 1.30 Strike Up The Band (S). 2.02-5.55 Sport on 2 (1,500m only): 2.25, 2.55, 3.05, 3.55, 5.00, 5.03 Football: 2.15, 2.45 Racing from Haydock Park: 2.25, 2.55, 3.50, 5.25 Rugby Union at Swansea: Swansea v. Australians and report on Ulster v. Argentina: 2.25, 2.55, 3.50, 5.25 Rugby League at Wembley: Great Britain v. Australia. 6.03 Sports Report. 6.33 Star Sound (1,500m only). 7.00 Let's Go Latin (1,500m only). 7.32 Martin Nordring [illegible] (S). 8.15 Radio 2 Top Tunes (S). 9.02 Brass and Strings (S). 10.02 Big Band Night (1,500m only). Simon Bates presents jazz bands. 12.00 Midnight Newsroom. 12.05 a.m. Night Ride (S). 2.00 News Summary.

RADIO 3 464m, Stereo & VHF

8.00 a.m. News. 8.05 Bach Cantatas (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release: Prokofiev, Mahler, Hindemith (S). 11.30 Amadeus String Quartet: Schubert, Beethoven (S). 12.10 p.m. Mid-day Concert, part 1: Mozart, Martinu (S). 1.00 News. 1.05 The Positive World. 1.20 Mid-day Concert, part 2: Brahms (S). 2.05 Man of Action: Jonathan Miller presents a personal choice of records (S). 3.20 Matinee Musicale (S). 4.20 The British Oral Tradition. 5.05 Jazz Record Requests (S). 5.50 Music Now. 6.35 Piano Trios: Rubbra, Dvorak (S). 7.35 Britten and Bridge (S). 8.10 The Positive World. 8.25 The Wexford Festival: "The Gambler," opera in four acts by Prokofiev, libretto based on the novel by Dostoevsky, Acts 1 and 2. 9.25 Brian Dickie, retiring Artistic Director of the Wexford Festival (talk). 9.50 "The Gambler," Act 3. 10.25 Rita McAllister talks about the background to the opera. 10.45 "The Gambler," Act 4. 11.25 Duke Ellington: Orchestral suites. 11.55 News.

RADIO 4

434m, 330m, 285m & VHF
† Medium Wave only.

6.30 a.m. News. 6.32 Farming To-day. †6.50 Outlook. 6.55 Weather, programme news. 7.00 News. 7.10 On Your Farm. 7.40 To-day's Papers. 7.45 Outlook. 7.50 To-day: Travel News, What's On. 7.55 Weather, programme news. 8.00 News and more of To-day, including Sports Desk. 8.30 Sports Spot and 8.40 To-day's [illegible] 9.00 News. 9.05 From Our Own Correspondent. 9.30 The Week in Westminster. 10.00 News. 10.02 The Weekly World. 10.15 Daily Service. †10.30 Pick of the Week. 11.30 Announcements. 11.40 Sports Parade. 12.00 News. 12.02 p.m. You and Yours. 12.27 Top of the Form. †12.55 Weather, programme news. 1.00 News. 1.15 Any Questions? 2.00 Weekend Woman's Hour. 3.00 News. 3.05 Afternoon Theatre. 4.00 4th Dimension. 5.00 News. 5.02 Kaleidoscope. †5.55 Weather, programme news. 6.00 News. 6.15 Letter from America. 6.30 Sports Session. 7.00 News. 7.02 Desert Island Discs. 7.30 These You Have Loved (S). 8.30 Saturday-night Theatre: "Death of Mr Alms." 9.45 Clockwork Music. 9.58 Weather. 10.00 News. 10.15 A Word in Edgeways. 11.00 Before the Ending of the Day. 11.15 News.

London Broadcasting

417m and 97.3 VHF

6.00 a.m. The Morning Show presented by Nigel Rees. 9.00 Time Off presented by Alan Mackenzie. 12.00 Open Line. 3.00 p.m. Sport on Saturday with Mike Smith. 8.00 This is London. 9.00 Weekend Magazine. 10.00-6.00 a.m. Nightline.

Capital Radio

539m and 95.8 VHF

6.00 a.m. Night Flight (continued). 7.00 Super Saturday: Roger Scott presents Music and "What's On In London"; and at 9.00 Money's Market Time. 10.00 You Don't Know What You've Got: Tim Rice airs vintage pop. 11.00 Kenny For Everett. 1.00 p.m. Hullabaloo (for eight to 16-year-olds). 3.00 Afternoon Affair with Gerald Harper. 5.30 Stella Gibbons's novel, "The Wolves Were in the Sledge," read by Yvonne Churchman. 6.00 Saturday Mardi Gras. 8.00 Capital Concert. 9.30 Black is Beautiful Music: Mansha Hunt's choice. 10.30 [illegible] Love Ray with Music. 12.30 a.m. Night Flight.

TV Top 20

Week ending Oct.

1 Opportunity Knocks
2 Coronation Street (Mon.)
Crossroads (Wed)
4 London Palladium
5 Crossroads (Thrs.)
6 Coronation Street (Wed.)
7 Cross Eagles
8 Crossroads (Tues.)
9 Generation Game
10 Steptoe
Whicker
12 Softly Softly
13 Helen Woman of To-day
14 Singalonamax
14 Crossroads (Fri.)
16 Upstairs Downstairs
17 Billy Liar
18 Thirty Minutes Worth
19 Nine O'Clock News (Wed.)
News at Ten (Fri.)
It's Lulu

Figures compiled by Great Britain for Industry Committee for Advertising Research.

هكذا على الأجل

Living on the house

BY CHRISTOPHER HILL

OVER FIVE years ago Hodge Group launched a scheme to enable old people to sell their houses in return for a life income plus the ability to go on living in the houses for a nominal rent. All sorts of criticisms were levelled at this scheme—largely on the grounds that it took away the ownership from the old people—and more recently launched plans have arranged for ownership to remain unchanged. In fact there are currently three plans of this type in the field, respectively run by *Save and Prosper, Unitholders Provident Assurance* and *Capital Annuities*.

When it comes to comparing the three, the overall conclusion is that they all have one basic problem—which is that to be effective the houseowner needs to be a taxpayer with sufficient taxable income against which to set his loan interest. If he pays no tax (or just tips into the tax bracket) then these schemes are not really to the his advantage. The point is that since the assurance company advances a loan on the value of the house in order to purchase an annuity, a big element in the effective income benefit to the houseowner is the tax relief on the loan interest. The other general problem is that in order to be able to give a worthwhile annuity, the companies have to set the age limits fairly high.

For example, Save and Prosper's House-owner's Retirement Income Scheme (HORIS for short) had a minimum age requirement of 70 and in the case of the "joint life and survivor" annuity, the younger party must be at least aged 74 on entry. Capital Annuities minimum for a single person is also 70 and in this respect Unitholders Provident is most flexible, starting at 65 for single people and moving up to a minimum of 70 for married couples. Save and Proper is also slightly more strict on the extent of the loan it will grant—75 per cent. of the value of the house which has to be worth £10,000. By contrast Unitholders Provident will advance 80 per cent. of the value (minimum loan £5,000) and Capital Annuities is roughly the same.

So what kind of income do the old people get in return for giving up three-quarters or more of the current value of their houses? In general, it is fair to say that the annuities are not competitive with those on the open market. This is because the fixed interest rates charged on the loan is not up to the market rate. Save and Prosper, for example, charges 10 per cent. per annum, compared with 7½ per cent. by both Unitholders Provident and Capital Annuities. This may seem harsh of S & P (the rate went up recently) but it is not so in effect because the matching annuity rates are better. The figure to look at in each case is the net increase in income.

But this is not as easy as it might sound, for each of the schemes does things in a slightly different way. The essence of HORIS is that the income for a single man is guaranteed for five years even if he dies in the meantime. It is also possible to extend the payments to the surviving party for life through the "joint life and survivor contract," but this means a considerably reduced annuity. Unitholders Provident Home Income Plan is different in that it gives the house-owner three options—either to take a low annuity rate plus a capital repayment in the event of early death; or a higher annuity ceasing on death; or £1,000 in cash at the outset and a reduced annuity rate ceasing on death. The latter choice seems to me to have a lot of advantages (retired people need cash for holidays, etc.) and Capital Annuities' Homeower Annuity Plan intends to follow suit with this option.

What it really amounts to is that these plans are for retired people who want to go on living where they are; who possibly wish to leave their heirs with an asset; but have nowhere else to turn to increase their income. It may sound somewhat ironic to spend a working lifetime buying a house in order finally to mortgage it for say £15,000 which — in Save and Prosper's case—will return an effective £1,105 per annum to a man aged 75 and £626 for a couple under the life and survivor contract both inclusive of tax relief. But looking at it the other way, the houseowner does retain ownership of the house and further capital appreciation might repay the loan on his eventual death—especially if house prices regain the upward momentum of 1971/72. He is also able to increase the loans in step with the value of his house if he wishes to do it that way.

There certainly seems to be some demand for the schemes. After almost a year of operation S & P has loaned out £1¾m. (with an average annuity purchase price of £12,439) and Unitholders Provident—which started six months earlier—has over £3m. involved in its plan.

● UNIT TRUSTS

More new products

SEVERAL NEW unit trust offerings appeared this week including three funds from Cedar Holdings and one from M & G. This marks Cedar's entry into the unit trust field; and to head the fund management arm, the bank has hired the former investment manager of the Coal Board pension schemes. But the most interesting facet of the launch is the Cedar Loan Plan which allows the investor to borrow up to four times the money he has available to invest in units.

With a minimum loan of £400, interest is charged monthly on the reducing loan balance and is calculated at 1½ times the Bank's base rate—with an effective minimum of 13½ per cent. The argument of the managers is that it makes sense to gear up now since the market might well be due for a definite upturn in 1974. My view is that the average unitholder would be taking an unwarranted risk in borrowing money at current rates of interest in order to maximise stock market investment. However, there might well be interest from professional advisers, since they will receive commission on the total investment—not just what the investor puts up from his own pocket.

M & G's new Extra Yield Fund is aiming to yield a gross 7½ per cent. at the outset and to at least keep pace with the All-Share Index over the years. The fund will be investing in the "unfashionable" areas and will be more speculative than the M & G Dividend Fund which has been going for 9½ years and is now yielding almost 10 per cent. to initial unit holders. One point about *even this* performance is that although the offered price of units has outpaced the market over 9½ years, a 64 per cent. increase in gross income has only just kept pace with the Cost of Living Index.

● PROPERTY FUNDS

Cloak and dagger

THIS WEEK there have been a couple of property bond fund reports, each lauding the performance of its units to the skies. But one hears a great deal less about the performance of the property "unit trusts" which lead an almost cloak-and-dagger existence in the City, trying to get themselves known without appearing to try. Basically tax-exempt property funds, investing directly in property on behalf of pension funds and charities, they go under odd names like Grasshopper and "Putpags," are backed by merchant banks, and collectively manage more than £300m.

Because they are not "approved" trusts for the purposes of the Prevention of Fraud (Investments) Act, their marketing is strictly controlled by the DTI. So strictly is it controlled in fact, that many pension fund managers have probably never heard of the trusts—which cannot be a good thing now that the spotlight is turning strongly towards pensions.

PERFORMANCE INDICATORS

F.T. Blue Chip Performance Indicator†	87.03	−0.57
F.T. Actuaries All-Share Index (adjusted)*	85.64	−0.23

† Calculated by taking the arithmetic mean of the price changes from the beginning of the year of the constituents of the Financial Times 30 Share Index. The base value is 100 on December 29, 1972. This indicator illustrates the movement of a hypothetical equity portfolio initially invested in equal amounts of each constituent.

* Recalculated from 100 on December 29, 1972.

Prospects for pottery

BY WILFRID PICKARD and CHRISTOPHER DUNN

Following the 18 per cent. rise in sales by the pottery industry last year, the DTI's Business Monitor showed an acceleration in the first quarter of 1973. Compared with the first three months of 1972, the improvement was a useful 24 per cent., while table and kitchenware notched up 32 per cent.

North America is still by far the most important export market for tableware. But Britain's membership of the Common Market should lead to a better performance in Europe. Its ability to increase its share of world exports has been strengthened by the slide in the value of sterling.

Evidence of buoyant trading conditions has been amply demonstrated by Staffordshire Potteries. Following the introduction of a new range of dinner ware in 1971/72, a series of technical problems arose which knocked profits back to £50,000. But this diversification move has proved worth while, since earnings last year shot ahead to £335,000, a record.

For the twelve months to June 1974, a further 20 per cent. rise in production and profits is in sight. The purchase of an additional 23 acres at Stoke should enable it to undertake continued expansion. At 173p the shares yield 3.8 per cent. and the fully diluted p/e of around 12 does not fully discount the growth prospects.

In the first half of this year Royal Worcester achieved a 53 per cent. jump in profits based on a 21 per cent. sales rise. On the ceramics side, main concentration is on quality porcelain and ornamental ware, and capacity limitations are likely to restrict growth in the short term. But the group has ample liquid resources—£3m. against a market capitalisation of £10m.—to extend its facilities.

The other attraction at RW is its electronics division, which already produces almost half of group profits. The planned £2m. takeover of Colvern would widen the product range, and also offer scope for rationalisation. At 215p the shares yield 2.3 per cent. with an undemanding prospective p/e of 12, which takes little account of its own bid possibilities.

Against last year's £98,000, Wood and Sons (Holdings) looks capable of £150,000 plus for 1973. There are substantial home and export orders on hand. Although a very narrow market, the shares at 17p on a p/e of 7.9 should move higher.

Sterling worth

PERHAPS the most significant aspect of Sterling Guarantee Trust's progress during the past three years has been the careful husbandry of a narrow equity base. Despite six major deals rising steadily in value from £2m. to £11m., and something like a 150 per cent. increase in net asset value to around 285p, ultimate capital has increased by only 55 per cent. The switch from shares to cash as an acquisition medium has been marked. The outlay for Salisbury was £430,000, the addition to equity capital around 64 per cent. This compares with the 0.5 per cent. increment to equity and cash of £11.3m. for Olympia.

The success of the strategy is underlined by the management's intention to go for quality and tricky situations from the start. Concentration on acquisitions whose surplus elements had a useful resale value, post rationalisation, helped partially. Nevertheless, the relationship with Town and City has been decisive. A policy of establishing joint companies at increased values on the bid terms—Olympia, for example, was bought for £11.3m. but sold to the 40-60 owned Ringtown Properties for £15m.—enabled SGT to pay apparently generous prices, but still make long-term development situations self-financing.

The tally, then, is a stake in the modernisation of over 40 acres in Central London. Assuming planning permission comes through for Gamages, the scheduled complex of nearly 400,000 square feet could be worth as much as 70p a share, fully diluted. Calculating the future development value of Earls Court, Olympia and Whitechapel is more difficult, but the total target asset-value per share could be around 500p.

With these successes under its belt, the group is now moving into a new phase. The Wapping agreement with the PLA is highlighted as much by the sole financing responsibility assumed as by the judicious dockland involvement. At the same time, any short-term earnings dilution should be balanced by the development of the service sector, where the scope for improving low returns is substantial.

Given, then, the blend between assets and earnings growth potential, the shares are a long-term buy at 330p.

WHAT THE BROKERS SAY

RAPID growth in sales of colour TV outstripped home manufacturing capacity, allowing imports to make up the shortfall and capture 25 per cent. of the market. U.K. producers should start to recover much of this and, according to HICHENS, HARRISON, are now aiming to move into Continental countries where colour TV sales are moving ahead sharply.

The broker recommends purchases of GEC, Plessey, Pye and Thorn. Among smaller component firms, AB Electronics, Pressac and Dubilier are thought attractive.

* * *

Between 1960 and 1972, world consumption of whisky rose at an annual rate of 9 per cent. SPEIRS & JEFFREY expects that a growth rate of 8 per cent. a year will be seen in future. Most whisky shares are standing on a higher p/e multiple than the market as a whole. One exception is Long John International. It appears undervalued. Distillers is rated a hold, while it is suggested that purchases of Highland Distilleries should only be contemplated on a fall. Tomatin, with its huge capacity, could be a takeover candidate.

* * *

A 20 per cent. rise in profits from the Dowty Group could be seen this year. Sales of aviation and coal mining equipment are rising and in the latter category, KEITH, BAYLEY, ROGERS points out, it has made important sales in Eastern Europe and China.

* * *

Corporate strategy at Boots aims to capture more of the mass market. At the same time, the range of goods offered to men is to be expanded. BUCKMASTER AND MOORE expects a much lower rate of growth for 1973-74 than last year's 66 per cent., due to the impact of margin restraint. The shares have held up well in the recent bear market but currently appear somewhat expensive against other retailers. They should be purchased if the prospective p/e comes down to around 13½, however.

* * *

After a period of rapid and expensive expansion, Ready Mixed Concrete is now in a phase of substantial profits growth which should continue for many years ahead. On this basis FIELDING, NEWSON-SMITH feels that RMC warrants a larger investment than any other major building material share.

* * *

From Stoke-on-Trent, P. H. POPE AND SON believes that Photopia will prove "an outstanding investment in the short and medium term." It is a big importer of photographic and optical equipment and is now moving into the audio market. On the broker's estimate the p/e ratio will fall to around 5 in the current year. In the first five months, sales were up by over 70 per cent. with no sign of any slackening.

Finance and the family

Accumulating settlement

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible. No charge is made for this service except in relation to investment matters.

BY OUR LEGAL STAFF

Referring to your reply of Sept. 8 under the heading Tax surcharge on investment could you expand on the circumstances under which some basic rate tax may be reclaimed when accumulated income is distributed to the beneficiary?

Both basic rate income tax and investment income surcharge can be recovered by beneficiaries of a discretionary or accumulating settlement when income is distributed, but only, of course, if their personal circumstances allow. For example, if a distribution of £500 was made in 1973/74 to a beneficiary with no other income, he would be able to reclaim the tax deducted of 45 per cent. (that is, basic rate income tax of 30 per cent. and investment income surcharge of 15 per cent.), because his personal allowances would exceed his income.

Permitted fencing

In Finance and the Family of September 22 under the heading Rights of support you stated that you can erect a fence up to 7 feet high without planning permission where there are no neighbouring houses upwards of 20 years old, no easements of light or air and not abutting on a road. Could I put up a 5 foot high fence between my house and the next, the latter being more than 20 years old?

The height of 7 feet for permitted fencing not abutting a road has recently been changed to 2 metres. Your proposed wall will not contravene planning regulations but might infringe a right of light. This will depend on what windows there may be in your neighbour's house at ground floor level. If in doubt you should *consult a surveyor.*

Interest on a deposit

One firm of solicitors tells me that interest on the 10 per cent. deposit in connection with the purchase of a house is payable to the prospective purchaser, and another says the vendor is entitled to it. What, please, is the position?

The interest on a deposit paid on exchange of contracts is payable to the vendor if the deposit *is paid to the deposit holder as* agent for the vendor. If the deposit is paid as stakeholder the interest is retained by the person holding the deposit. This is so regardless of whether the deposit is paid to a solicitor or to an estate agent or to some other person.

A power of attorney

I am one of four trustees and manage the affairs of a small family trust. One of the trustees is going abroad for about a year and will not be available for signing cheques, transfer forms for share dealings, etc. Could you please advise how we can best overcome this problem?

Section 25 of the Trustee Act 1925 gives trustees the power to appoint an attorney to carry out their functions if they are intending to be abroad for more than one month. In any event three out of four trustees can act effectively provided they are unanimous. If you wish to give a power of attorney you should consult a solicitor.

Blocking up drainage

With reference to your reply (September 15), under the heading Blocking up drainage, would not a complaint under the Land Drainage Acts be a cheaper and quicker remedy open to your inquirer?

We agree that an application to *the Agricultural Lands Tribunal* can be made under Sections 45 and 46 of the Land Drainage Act 1961 as those provisions relate to any land—not merely agricultural land.

Prevention of adoption

Frontages on our road are now awaiting final apportionment notices in connection with its being made up by the local authority. Is there any way in which the road could remain private, as we should prefer, and not be adopted?

Adoption is dependent not on the payment for the works but *on their having been executed.* After execution the local authority may post a notice declaring the street a highway under Section 202 of the Highways Act 1959. The adoption can be prevented by the objection of the majority in numbers of the owners of the street.

A trust in perpetuity

Referring to your reply of September 22 headed A trust in perpetuity, could you let me have a reference showing how a trust in perpetuity for a single grave could be created?

A trust for the maintenance of a tomb in perpetuity can be created, but *only by means of* a device, that is a gift of a fund larger than is needed for the maintenance of the tomb to a charity, with a gift over to another charity if the tomb is not maintained. The cases which support this are considered fully in *Re Dalziel* [1943] Ch. 277 where the gift *in question failed,* but the principle was accepted. Our recommendation that a disposition designed to achieve that effect should be drafted by a solicitor was dictated by the need to ensure that the pitfalls exemplified in the case law be avoided.

Son's rights to tenancy

(a) Referring to your reply of August 18 headed Son's rights to tenancy, can you tell me under what Act the right of succession to a regulated tenancy by the issue, in my case a daughter, of a controlled tenant became statutory?

(b) In the case of another property I own, I have been asked to give "formal consent" to the tenancy being transferred to the former tenant's widow. Should I do this?

(a) The transmission of controlled tenancies on the death of the tenant has been operative since before 1967. The double transmission provision was introduced by the Rent Act 1965 *and now appears in the* 1st Schedule to the Rent Act 1968 under the provisions of Section 3 of that Act. The change from controlled to regulated tenancy occurs on the second transmission, not on the first. However, there may have been a change from controlled to a regulated tenancy by the operation of the Housing Finance Act 1972, *which decontrols a* large number of tenancies. You should ascertain if the rateable value of your property is sufficient to have brought the decontrol provisions into operation.

(b) You should not give "formal consent" to a transfer to the widow. You should write to the agent stating that you consent to the widow's name being entered on the rent book as taking the tenancy "on transmission," using those words.

Temporary arrangement

I bought part of a property some years ago and by the deed of severance, the vendor was to erect a fence between us along a common drive, but by mutual consent this was not done. We both, however, wish to arrange that rights of way are not created thereby, and that the obligation remains to erect a fence either by the vendor or his successor in title. How can this be done?

We think that it is only necessary, so far as the acquisition of an easement of right of way is concerned, for you both to acknowledge to the other that this is a purely temporary *arrangement for mutual* convenience, and pending your calling your neighbour to erect the fence, in writing. Provided that the writing is renewed from time to time (theoretically every 20 years, but we suggest 10 to be *on the safe side.*) This will take care of that.

As regards the obligation to erect the fence, one cannot bind one's successors by a positive covenant. We think, therefore, you should make provision in an exchange of letters that in consideration of your not requiring him to erect the fence now, your neighbour, or his personal representatives will erect the fence before he or they part with the title of the property.

Establishing a domicile

My former husband, who left me nothing, left a substantial estate in the Argentine, where he died, and also an estate in England for which he made a separate will. He used to come to England occasionally and said he wanted his ashes to be brought here. I read in your columns that a place where a person wished to be buried might be considered his domicile. Do you think I could bring an action against his estate here?

We think that a determination to die and be buried in a particular country will strengthen the claim to be domiciled there. In the case of your ex-husband, the question really is the other way round—does a wish to be buried, or have one's ashes buried, in the U.K. afford any sufficient evidence that the domicile (which otherwise appears to be Argentinian) was other than the Argentine? We would not have thought so; he apparently lived and worked *in the Argentine and had the* bulk of his estate there, and only came to the U.K. as a visitor once he was established there. Moreover he died there. We would consider the chances of persuading any Court that he had a U.K. domicile were small.

Insurance

Bonus performance

BY JOHN PHILIP

FROM THE inquiries I receive it seems clear that with-profits assurance policies continue to dominate the life assurance thinking of the majority—and it is equally clear that many people prefer to make their own choice of insurer, despite the clear difficulties in the way of assessing accurately the future *performance of any short list* of companies: or perhaps, because of these clear difficulties.

The thought seems to be that brokers and consultants may be experts, but they are, after all, only human; and when it comes to deciding which offices will in fact give the best return 25 years or more hence, the layman's inspired guess may be as good as the expert's calculated appraisal.

A good guide

Not that I go far along with this view—I hold that the expert is much more likely to be right than the layman. But for the layman intent on investigating the with-profit market himself, or making his *own appraisal* of what the market has to offer before getting expert advice from a broker, I recommend the October edition of "Policy" published by Stone and Cox, price 35p, and obtainable through *any newsagent.*

This contains two tabular analyses. The first deals with the current bonus *performances* of some 90 life assurance companies paying reversionary bonuses (the kind that attach to the policy immediately upon declaration but achieve their full value only at maturity or upon the death of the life assured).

The second provides specimen rates for the 35-year-old for whole life and 25-year endowment policies for sums assured ranging from £1,000 to £50,000. Anyone who is not 35, or close to that age should, of course, use the *second* table with care as being only an indicator and not a certain statement of the relative positions of insurers in the premium league for his own age; this is because different companies' actuaries take varying views of the incidence of age on their rating structures—so that for example, Company A may have better rates than Company B for the under 40s, but worse rates for the over 40s. But this is by the way, for my main purpose is to discuss *the information contained in the* first table on current bonuses.

The majority of the companies, 50 in number, still pay simple reversionary bonuses, but the rest pay compound. Both are calculated at a rate per cent., the simple bonus on the sum assured, ignoring bonuses already declared, the compound bonus on the sum assured plus previous bonuses. It follows that if two companies, with similar sized life funds, similar investment policies and earnings, declare bonuses at the same time, Company A simple, and Company B compound, Company A's rate will be higher than Company B's, and in present market conditions by anything from 50p to £1 per cent.

Taking simple bonuses first, *currently the top of the market* rate is £5 per cent. paid by Equitable, Irish Life, National Provident and by two specialist companies, Nalgo and Royal National Pension Fund. A further six companies are paying bonuses ranging from £4.75 down to £4.50—Guardian*, Medical Sickness, Yorkshire General, Royal Liver, Sun Life*, and University Life*. However, those asterisked pay a lower rate on endowments than on whole of life policies.

Compound rates

A figure of £4.50 per cent. is the present top of the market rate for compound bonuses, paid by Clerical Medical, Commercial Union and Royal: a further eight offices pay in the £4.30-£4 bracket — Pioneer, Scottish Widows, Scottish Provident, Ecclesiastical, Friends Provident, London Life, Reliance, Sun Alliance and London.

But I must emphasise—as do the figures in the "Policy" table—that ordinary reversionary bonuses are only part of the picture: an increasing number of companies are paying special terminal bonuses. At their last valuations 50 insurers declared terminal bonuses, and it is reasonable to expect more to do so, for competitive reasons, *after their next valuations.*

About half of the terminal bonus paying companies pay *these bonuses as a simple addition* to the reversionary and other bonuses already declared, thus for example, National Mutual pays 40 per cent. of total bonuses, Avon, Guardian and Legal and General 30 per cent.

More complicated are those terminal bonuses related to the sum assured, and depending for their size on the length of time *the policy* has been in force. Here, there are two main variants. Some companies pay a stated rate per cent which can be simple or compound for each year that the policy has been in force—in this category is National Provident with its £2 per cent. simple for each policy year prior to 1970. Others pay according to a stated scale increasing backwards over the years—as does Standard Life, which pays from £1.50 per cent. compound to *a maximum* of £52.50 on policies dating from 1938 or earlier.

If this is insufficient to deter the layman, I should add that at their last valuations a handful of companies declared special, once and for all reversionary bonuses which may not be repeated. And though these are likely to be infrequent, the possibility of such special bonuses cannot be overlooked in relating past performance of any company to the evaluation of its future prospects. And of course bonuses cannot be looked at in isolation—premium rate for the basic sum assured is also an important factor to be considered.

Future performance

For those whose appetite still remains unsatisfied, I recommend as additional reading, the "With Profits Survey" contained in "Planned Savings" for August 22 and obtainable from Wootten Publications Ltd at 150-152 Caledonian Road, London, N.1. This discusses the principles on which future performance should be assessed and provides lists of 1972's and 1973's top ten judged both on the basis of past performance and future predictions.

Some, but not all of the companies I have mentioned appear in the "Planned Savings" lists, the converse is also true in that some companies that I have not mentioned appear in those lists. This week, unfortunately, space does not permit me to go further.

TAXATION AND THE INVESTOR

International trends in tax burdens

BY JOHN CHOWN, TAXATION CORRESPONDENT

THE INSTITUTE for Fiscal Studies held its first-ever annual lecture on Tuesday. The distinguished guest speaker was Mr. Joseph A. Pechman, Director of Economic Studies at the Brookings Institute. It was a lively, enjoyable and controversial occasion with lessons for all taxpayers who look, anxiously or hopefully, towards the future. Mr. Pechman is a leading authority on the impact of taxation. He also holds strong *and controversial views* of his own; the analytical and combative sides of his personality were on display.

New study

He began by describing a new study he had just completed, details of which had not yet been published in the U.S. This study was based on bringing together two separate sources of information using an advanced computer analysis technique, the details of which he spared his audience.

First there was a sample of 30,000 families which are interviewed annually on the details of their expenditure patterns. Second there was a sample of 90,000 actual tax returns. Taken together this "merge file" is said to give a remarkably accurate simulation of the tax burden and expenditure pattern of a *family of a given income* level and given situation. The Institute for Fiscal Studies has *already published an analysis by* Professor C. V. Brown based on the Family Expenditure Survey but *data has so far not been* available in the U.K. to permit this information to be integrated with a sample of tax returns.

Whenever tax specialists meet there is an argument about "incidence." To what extent is a particular tax borne by the *person on whom it is levied, and to* what extent is it passed on to other people? To take an obvious example: VAT is collected from traders, but passed on to ultimate consumers.

It is not so simple in other cases. If people faced with an increase in their income tax burden can succeed in claiming higher gross pay to compensate, income tax would be passed on first to the employer and second to the employer's customers. If they cannot, they bear the burden themselves. Is corporation tax ultimately borne by shareholders, or is it passed on to customers?

These are open questions and Mr. Pechman's study is in my experience unique in that the data has been analysed making a whole range of assumptions as to incidence. It was a surprise to me, and I suspect to him, that the assumptions chosen make little difference to the eventual answer.

The conclusion is that the average tax burden in the U.S. is about 25 per cent. and that this is effectively proportional to *income over a range of income* which includes 87 per cent. of families. In other words the tax system is not "progressive" at all in spite of the apparently progressive nature of the schedule of income tax rates. *More precisely depending on* assumptions made, tax rates reduce inequality in the U.S. by 5 per cent. at the most. On the more extreme assumptions the other way, they would actually increase inequality by about 2 per cent.

The reasons are well enough known. Consumption taxes and payroll tax tend to bear more heavily on the lower paid. (They are said to be "regressive.") *This more or less* balances out the proportionally higher income-tax paid by the better off. Mr. Pechman went on to draw conclusions for other countries, saying that most European countries rely *more heavily than does the U.S.* on consumption and payroll taxes and are "therefore" (although it does not necessarily follow) less "progressive" overall.

Erosion

One point he particularly stressed was the so-called erosion of the corporation tax. There is an increasing tendency in all countries, particularly in the U.S. and the U.K., to introduce more and more generous investment incentives which have the effect of reducing the real tax burden. In the U.S., *for instance, the nominal rate* of corporation tax has fallen from 52 per cent. to 48 per cent. but the *effective* rate has fallen from 32 per cent. to 24 per cent. The latter figures in fact slightly understate the real burden, being based on the relationship between actual profits in any one year and actual taxes *paid.* The reduction in tax burden will be enjoyed only as long as the company is expanding, and any company making a rational investment decision will in fact take into account, duly discounted, the element of deferred tax.

Throughout his talk, Mr. Pechman was critical of these trends and tried to suggest that we (that is the IFS) should lobby hard for an increase in progressivity, which he equated with virtue. Professor Wiseman of York pointed out that this was a value judgment for which no supporting evidence had been given. It was the task of the IFS (and by implication the Brooking Institute) to draw factual conclusions and to advise on the likely effect of policy changes rather than to lobby for particular political value judgments.

Redistribution

Professor Wheatcroft said that it was perfectly reasonable to use redistributive taxation to help the lower paid but he did not see why, *for instance,* a millionaire should effectively subsidise a half-millionaire by bearing a more than proportionate share of the cost of financing public services.

There were some elements in the audience who disagreed with this. Although Mr. Pechman rapidly stressed that he wanted *a broadly based tax system* which was progressive without being punitive it was suggested (with a furtive glance towards the Shadow Chancellor, whose contribution to the discussion was in fact more thoughtful *than provocative*) that it was only too easy for a future government to give the system another twist and to render it punitive.

Mr. Pechman was asked whether he accepted that the excessive taxation of private owners merely transferred the diffused and limited wealth of many rich men and concentrated it in a handful of politicians. *He replied that he would prefer* power to be in the hands of someone who was elected. This seems to me to be a dangerous fallacy. Can we have abolished "the divine right of Kings" only to substitute "the divine right of the democratically elected?" Just because every four or five years the citizens *have a straight choice between* two political parties, this is no justification for an unnecessary transfer of decisions from the individual to the State.

Fairly even

Surely the view that politicians are honest men acting solely in the public good has by now been exploded in Mr. Pechman's own country?

For myself I am delighted, but not particularly surprised, to learn that the tax burden is in fact distributed fairly evenly over the community. I only wish that we could accept *politically that this is so* and that in spite of facts to the contrary it is likely to continue. We could then abolish the nonsense of high nominal rates of tax and estate duty which seriously distort financial and *commercial decisions* without achieving any redistributive purpose.

I very much welcome the type of analysis undertaken by Mr. Pechman which shows precisely where the tax burden *really* falls. We may then be able to find ways of changing one tax that in a way which increases efficiency even if it has an undesirable effect on income distribution and then compensating for the latter by another change, with a net increase in efficiency.

One *important subject* was mentioned only in passing. This is the phenomenon of "poverty surtax" by which the lower-paid could effectively find a very substantial part of an increase in income whittled away. The British Government tax credit proposals would do much to deal with this problem, though surely we should consider emergency "threshold" arrangements during Stage Three by which all income limits for various social benefits are automatically moved up if prices move up.

CHESS SOLUTIONS

Solution to Position No. 44. White won by 1 QxRch, KxQ; 2 Kt-Q7ch, BxKt; 3 B-R3ch, K-Kt1; 4 R-B8ch, BxR; 5 R-K8mate. The kind of finish that looks brilliant if you don't know the idea, but that no experienced player ought to find hard to discover.

Solution to Problem No. 44. B-R2, no threat. Black has—if my arithmetic is correct—26 possible moves all of them fatal. For example; 1 . . . KxR; 2 Q-K7 or 1 . . . KtxR; 2 Kt-Kt6 or 1 . . . R-B5; 2 R-K6. I leave the pleasurable task of dealing with Black's 23 other moves to you.

LONDON SCHOOL'S BUILDING GRANT

St. Martin's National School, just behind Trafalgar Square, is to receive a £2,500 historic buildings grant from the Greater London Council, towards the cost of restoration and repairs to the stucco work.

The school is listed as a building of special architectural or historic interest and was designed by George Ledwell Taylor. There has been a school on the site since 1871.

Buildings in two outer London boroughs are also to receive GLC historic buildings grants. The sum of £2,000 will go towards the cost of extensive rehabilitation work to five cottages in The Broadway, Stanmore, which form a single timber-framed structure dating from the late 16th or early 17th century.

The Tithe Barn, Manor Farm, Harmondsworth, is to receive £500 towards the cost of restoration after being damaged by fire. It is considered the finest timber-framed farm building in Middlesex.

Motoring

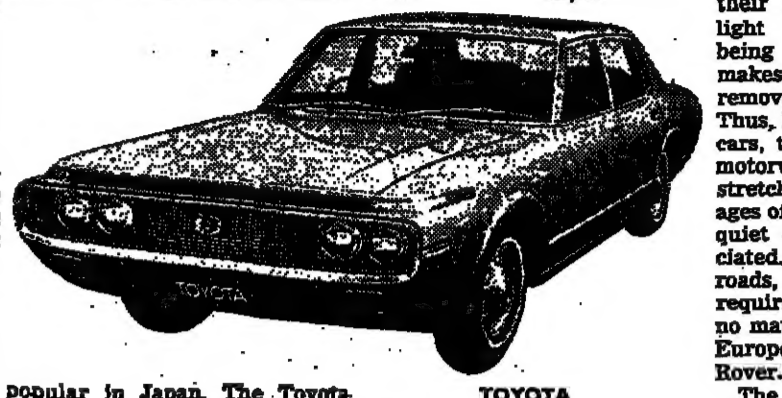
A Japanese comparison

BY JAMES ENSOR

JAPANESE cars have really taken hold of the British market this year. Datsun is currently the top importer and Toyota has moved up rapidly to challenge makes like Simca, Citroen and even Volkswagen which have been established in Britain for far longer. Most of their success has been due to the sales of their small cars, the Datsun Cherry and Sunny and the Toyota Corolla, although Datsun's biggest seller is now the Bluebird, a medium car in the Cortina class.

DATSUN	
Engine	2600 cc
Top speed	100 mph
0-60 mph	13 secs.
Fuel	16-18 mpg
Price	£2,289

The largest cars, such as the Toyota Crown and Datsun 260 C—known as the Cedric in Japan—have not sold so well in Britain, although they are quite popular in Japan. The Toyota Crown, for example, sells at about the same rate as the ageing Citroen D Series, while the Datsun is selling in even lower volumes. Is this relative lack of success, I wonder, because the Japanese have failed to get their marketing message across so well to the wealthier sections of the British car buying public or is it simply that they face much tougher competition from European makes in the luxury car class?



TOYOTA	
Engine	2600 cc
Top speed	97 mph
0-60 mph	13 secs.
Fuel	15-16 mpg
Price	£2,326

After driving both the latest version of the Toyota Crown and the Datsun 260 C, I think that I can provide some answers. The two cars provide an interesting comparison, for they are similar in many respects, yet they represent a very different approach to that chosen by the majority of the European car companies for this size and type of car. Datsun and Toyota are fierce rivals in Japan and neither company allows the other to get more than half a step ahead in the tough, domestic sales battle. Inevitably, this means that their cars develop considerable similarity.

At around £2,300, the Toyota and Datsun are closely matched in price. At this level, they compete with the top of the Ford Granada line and fall neatly between the Rover 2200 and 3500. Both cars now have 2.6 litre engines and closely comparable performance. In the automatic variants, which I tried, nether is a swift-footed car—neither matches the 3-litre Granada or the 2.2-litre Rover, for instance—but they are evidently reliable, reasonably durable and well constructed with a wealth of small innovations.

The Japanese have designed their big cars on American lines. To my eyes, neither the Datsun nor the Toyota is a good-looking car in the sense of, say, the BMW. Toyota, in particular, uses more chrome and has more grilles and flashes than we have become accustomed to in Europe. Both cars are relatively large externally and the Toyota, which is much lower-waisted than the Datsun, appears even larger than it is.

The American thinking extends under the skin of the two Japanese cars as well. Both cars, for example, have a very soft ride which makes for comfortable driving but inhibits their roadholding. Both have light steering—the Toyota's being power assisted—which makes parking simple but removes most of the road feel. Thus, like the smaller American cars, they are at their best on motorways or long straight stretches, where their advantages of good ride and reasonably quiet engines can be appreciated. On twisting, winding roads, the Toyota, in particular, requires careful driving and is no match for the more sensitive European cars such as the Rover.

The automatic transmission in both Datsun and Toyota is set up to provide smooth rather than rapid changes. Thus, they function quietly and easily in heavy town traffic but do not provide a rapid surge for quick overtaking.

Both Toyota and Datsun fit rear window demisters which switch off automatically once the window is cleared and Toyota has a buzzer which reminds you if you leave the ignition keys in the car after getting out.

Of the two cars, the Datsun, in my view, is the better, since it holds the road more satisfactorily and the steering provides more feel than in the Toyota. Neither car will appeal to someone who likes driving fast on country roads, but the 260C provides a less unsatisfactory solution than the Crown. Either car could appeal to owners of Ford Zephyrs, Vauxhall Crestas or Rover 3 litres who find that the British industry no longer produces a large car of unsporting performance. But the much cheaper Ford Consul appears to offer beter value, unless you are swayed by the electrical gadgets.

Golf

Tribute to 'Himself'

BY BEN WRIGHT

TO SPEND two consecutive days and long evenings in the company of the Irish is as exhausting as it is convivial. On the two occasions on which I survived the coincidental ordeal last week, I had the pleasure of playing 27 holes alongside one of Ireland's brightest young amateur international prospects, 18-year-old Joe Purcell from Mullingar, and dining in Dublin alongside "Himself," as Christy O'Connor is worshipfully known by his adoring compatriots.

New society

The first experience was survived at Hendon Golf Club, where I was the guest of the brilliant Irish comedian Joe Lynch at a meeting of the comparatively recently formed West London Irish Golfing Society. The second was outlasted as an invited guest at a glittering affair organised by a small committee of O'Connor's most fervent admirers, at which Himself was feted at a Dublin hotel by some 350 people gathered together to celebrate his record 10 Ryder Cup appearances.

O'Connor arrived there under the impression he was to attend a meeting to be followed by a small, select dinner party because the Irish, who are by nature incapable of keeping secrets, had to some extent allowed the cat out of the bag, but thankfully not completely.

At it was O'Connor walked into a ballroom ablaze with lights for the benefit of television and was accorded a most moving standing ovation that all but emotionally shattered the great man.

Purcell had been similarly thrown in at the deep end, as it were, a few weeks earlier when, as Irish Youths Champion after minimal playing experience, he was blooded in his country's senior side in the Home Internationals at Royal Lytham and St. Anne's, whose glorious condition at the time mightily impressed the young Irishman. The Irish selectors finally decided to clear out some of their most experienced and perhaps least dedicated campaigners in favour of ambitious youth—a bold gamble that augurs well for the future.

Young Joe Purcell managed to halve two of his three singles matches, but was heavily beaten in the third, and lost all three foursomes, which to him was a disastrous beginning, particularly since in his eyes his previous unbeaten singles record in inter-provincial matches this season must obviously have influenced the Irish selectors to put their faith in him.

Purcell, who is nothing if not a perfectionist, was set back considerably by the experience, which in the opinion of some of his friends was somewhat premature for his own good. He subsequently talked of a sprained wrist, but many believed that the injury was closer to the mind. What is indisputable is that Purcell completely lost his form.

At Hendon he revealed encouraging glimpses of a return to somewhere near his best, which in my opinion is formidably promising. I was not around when the now 48-year-old O'Connor was developing his now glorious golf swing in remote Galway as a caddie. But I can imagine, rightly or wrongly, a parallel between himself and Purcell. The latter has developed what is popularly known as the "caddie's swing," that uninhibited, mostly natural, and impressively rhythmic method of the self taught, to whom theory is incidental, but a big wide arc is imperative.

Putting defects

O'Connor's putting ability has always been suspect, definitely a thing of mood and inspiration frequently governed by his state of health on the day. Purcell has a swing as sound and good looking as that of his country's sporting idol, but his putting style is almost ridiculously ineffective as, I might say, I told him.

The ball is positioned so far forward at present at address that Purcell was frequently reaching for it with a consequently destructive lateral sway, or at best, if he kept his head and body stationary, a slicing stroke. Given an even half-way decent putting stroke, this slip of a lad, whose power for one of such slight build is nothing short of phenomenal, would have walked away from his rivals in last week's competition instead of ending in a five-way tie for second place.

Purcell's other glaring fault is a fiery temper. He will have to learn to control his explosive temperament if he is to follow in the illustrious footsteps of O'Connor, no angel in that area himself. But O'Connor senior's controlled command of his inner fire on the golf course has been one of the most dominant factors in a career of mighty distinction, not the least aspect of which was that he became the first home winner of both the four- and five-figure cheques.

I suspect, however, that not even O'Connor could have contained his anger if he had been trapped in any of Hendon's strategically-placed bunkers, which were last week in the worst condition of any I have ever seen. They appeared not to have been raked for weeks, and it seemed that no one who had played in the interim had taken the trouble even to try to repair their footprints in the soft, obviously new, sand—incredible.

Great career

To return to a happier theme, O'Connor, who has been written off as over the hill by more golf writers — including myself — than even Arnold Palmer, and the latter is exhibiting far more signs of nervous frailty at the age of 44, is now talking in terms of an 11th Ryder Cup appearance at the age of 50 instead of expectedly calling it a day.

It is my fervent hope that such a massively talented entertainer, who has given so much golfing pleasure to so many in a lengthy, illustrious career will realise such an ambition. Without such a goal at which to aim, it would be far too easy for O'Connor to slide gently down the ladder into the welter of mediocrity lurking in a grey mass just below that tight little group of top class professionals who form the backbone of our tour. No one who respects O'Connor's golf as I do would like to witness such a sad and too often witnessed demise.

Bridge

Looking to the end

BY E. P. C. COTTER

TWO INTERESTING hands, one from a team match and one from a rubber, came my way recently. Here is the first, dealt by West at Game all:

N.
♠ A K 5
♥ 6 2
♦ A 10 8 6 5
♣ J 10 5

W.
♠ Q J 10 9 7
♥ A Q 7 3
♦ K J 4
♣ 3

E.
♠ 8 4 3 2
♥ J 9 8 4
♦ Q 3
♣ 7 6 2

S.
♠ 6
♥ K 10 5
♦ 9 7 2
♣ A K Q 9 8 4

In room 1 West opened the bidding with one spade, and this was followed by two passes. South reopened with three clubs, and after a pass from West, North said three diamonds, clearly a constructive bid, and South now said three hearts. This was all North wanted to know, and he went three no trumps, a contract which was on ice.

In the other room the first round of bidding was the same, but after North's three diamonds South could think of nothing better to say than four clubs, which North raised to five clubs.

Whatever shortcomings South may have had in the bidding, he more than made up for in the play of the hand. West led the Queen of spades, and after studying the position South ducked in dummy. He saw that the diamond suit must be developed, but with the heart Ace marked with the opening bidder, it was essential to keep East from obtaining the lead.

West switched to a club, which was won in-hand, and the declarer played a diamond to the Ace. Cashing the two spades, on which he threw two diamonds from his own hand, he ruffed a diamond, returned to the table with a club to the ten, and ruffed another diamond. He crossed to dummy with another club, at the same time drawing East's last trump, and discarded two hearts on the set up diamonds. West made his Ace of hearts, but South had his eleven tricks.

The second hand was an illustration of good partnership co-operation by the defenders:

N.
♠ 5 4
♥ 10 8 2
♦ A 9 8 7 4
♣ K J 6

W.
♠ K Q 10 9 2
♥ J 9 3
♦ J 10 2
♣ 7 5

E.
♠ J 6
♥ Q 7 6 5
♦ K Q 3
♣ 9 8 4 2

S.
♠ A 8 7 3
♥ A K 4
♦ 6 5
♣ A Q 10 3

With neither side vulnerable South dealt and said one club, West passed, and North replied with one diamond. South now rebid one spade, though personally I would have said two no trumps, and after two clubs from his partner went two no trumps, which North raised to three.

West led the King of spades, on which East dropped the Knave, and continued with the Queen when South ducked. The declarer took the third round of spades, and proceeded to establish the diamond suit by leading the six towards the table. On this West played the Knave.

He had two reasons for this play—first, to prevent South from ducking; secondly to alert his partner to unblock and allow him to get in with the ten. It was obvious that the diamond Knave could not be a singleton, for that would give South four cards in the suit, so East had no difficulty in reading the message, and played his Queen under the Ace.

At this stage the declarer knew that he was beaten, so instead of making a heroic gesture by continuing with diamonds, he cashed his winners, and gracefully conceded one down, thereby saving his side 50 points.

I do not say that East might not have unblocked in any event, but the significant play of the diamond Knave certainly made his task easier, and that is what true partnership co-operation is all about.

Travel

Four days in Sicily

BY PAUL MARTIN

SEVERAL YEARS have already elapsed since the major tour operators rightly claimed a breakthrough when, for the first time, they were able to offer short week-end trips at very favourable rates. Since those days the range has expanded considerably and the Balearic Islands mini-holiday was soon followed by others further afield.

Italy is one of my own favourite holiday countries which has had its share of ups and downs in recent years but, although a fairly frequent visitor, I had never gone down to the bottom end of the boot, a consideration that prompted me to try out a four-day package in Sicily.

This particular trip involves only two days away from one's place of work, leaving London (Gatwick) at the early hour of 8 a.m. on a Saturday morning with a convenient return flight on Tuesday evening.

Over the centuries Sicily has had her fair share of visitors, perhaps not all as welcome as our out-of-season plane-load which touched down just under three hours after leaving London.

During my own off-season visit the sun blazed down from a cloudless sky over the three full days I spent just on the outskirts of Cefalù but, while it was pleasant enough to swim either in the sea or in the heated swimming pool, the sun had lost its power by mid-afternoon and it was dark early.

The swimming-pool connects the two adjoining hotels, the Santa Lucia and the Sabbia d'Oro but all services and facilities are shared, with a bar and the large restaurant in the one block and another bar and the well-ventilated night-club in the other.

While, in view of the very inexpensive all-in price, it would be churlish to criticise, I did find an almost complete lack of authentic Italian cuisine in the table d'hôte menu. On the credit side, there was a choice of dishes and prices for the local wines were very reasonable. The question of the so-called international cuisine inevitably raises problems and an excellent a la carte menu is available at a supplement.

I can also speak only from personal experience about the close proximity of the Palermo-Messina railway line. It did not disturb me and, to be quite blunt, there was just nowhere else to put it. While I would not suggest bringing very young children on a four-day holiday—if you want to do any excursions, they will find so much travelling in a short time very tiring—the excellent swimming-pool does not cater for non-swimmers as there is no real shallow end and, even in the smaller one, they have to be watched.

A flight of steps leads down to the sandy beach and to a very attractive promenade, along which I walked into the centre of Cefalù, a pleasant 20-minute stroll. On a first visit to the island, I would not claim that Cefalù is specifically Sicilian but it is gorgeously Italian. The great cathedral, with some magnificent mosaics, dominates the place set in the shadow of a fairly giant boulder known locally as simply "La Rocca."

The streets and alleyways lead off from below the massive rock down to the small port where the fishing boats are drawn up and where, catching the dying rays of a November sun bathing the walls of the old houses and the enchantingly uneven roofs in a warm, mellow glow, I enjoyed a quiet, unhurried drink at the Cafe Molo. If you want evening entertainment a couple of night-spots stay open throughout the year and I particularly liked the Aquarius with a delightful terrace overlooking the water.

I have always looked on these mini-breaks as appetite-whetters, in the course of which you can, for a very small outlay, decide whether this is your sort of place or not. If you are a good potterer-about, I think Cefalù will fascinate you as it did me.

There is also quite a wide variety of excursions and I set off for the day to visit the legendary Valley of the Temples lying below the modern and not particularly distinguished city of Agrigento on the south coast. I came way convinced that, long after the planners had built a secondhand third generation of concrete blocks, the temples would still be standing.

The journey across the mountainous island provides a first glimpse of villages where the chickens take precedence in the narrow streets and where, I was told, they were still not entirely convinced that men had landed on the moon!

I can pay no higher compliment to my long week-end than to add that it left me with the wish and the determination to return to Sicily.

This four-day (three nights) package was introduced last autumn as an addition to the wide range of "quickies" operated by Clarksons and, as well as the Saturday-Tuesday arrangement, Tuesday departures provide a five-day (four nights) holiday.

There are regular departures until April 1974, and the lowest all-in price, which applies in December and January and includes jet day-flights, the return coach journey from the airport to the Hotel Santa Lucia in Cefalù, full board and accommodation in a room with private facilities and a balcony, is £30. There is a supplement of 50p per day for a single room.

Full details of their complete range of short off-season holidays are available from Clarksons, 17-29 Sun Street, London EC2M 2PU.

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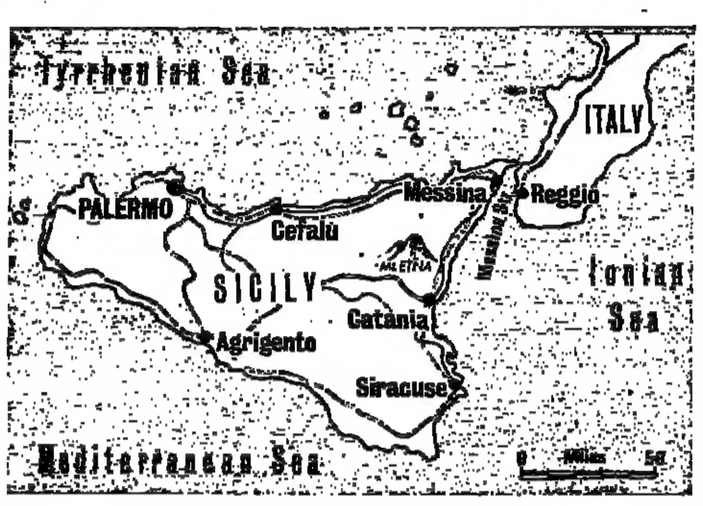


Gardening

Plants can mix well

BY A. G. L. HELLYER

THE NOTION that certain plants are poor mixers and so should always be kept apart does nothing but harm, yet it is a view sedulously propagated by those most concerned with the well being of these very plants. It is rose-lovers who most loudly proclaim that roses must not be made to compete with other plants; iris specialists who plead that irises should have beds, or even whole gardens to themselves; and orchid growers who foster the idea that plants so different as these cannot be expected to thrive in anything but a special orchid house.

Extra charm

Yet the Queen Mary rose garden in Regents Park is always more beautiful than the Royal National Rose Society's garden at St. Albans just because in the one roses rub shoulders with other plants and in the other they do not; the irises at Sissinghurst Castle always have an extra charm because they grow so naturally among flowers carefully chosen to show them off; and the orchids in the new greenhouses at Wisley look all the better for being surrounded by plants with better foliage than their own.

But what really set me on this topic at the moment is a recent visit to a garden in which dwarf conifers are actually used as individuals with due regard to the special contribution that each can make to the creation of garden compositions instead of being congregated like museum specimens in a mini-pinetum.

When you come to think of it there are few groups of plants that have more to offer to gardeners who want to get the maximum visual impact from a small plot of land. Form, colour and texture are the three vital ingredients in any composition and conifers, whether large or small, possess them all, the dwarf kinds with the added merit of a growth rate so slow that many years may pass before they ned to be pruned, let alone replaced.

In the garden I have been looking at, dwarf conifers are used in precisely that way, not self consciously by themselves, but in association with other plants chosen with equal care to produce some of the most delightful plant groupings I have seen anywhere. Virtually the whole design is carried out with plants used as an artist might use the colours on his palette, except that here the pictures are in three dimensions and constantly change with the seasons. The conifers, being almost all evergreen, provide much of the permanent framework together with broad leaved evergreens such as fatsia, mahonia and the "tree" forms of ivy.

Slender grey shafts of Juniperus virginiana Sky Rocket are contrasted with dark green carpets of J. horizontalis Bar Horbor and silver Chrysanthemum haradjanii. The low spreading shape of Prunus yedoensis Tsubame (the Japanese name of this charming cherry means swallow) is mirrored by a fine specimen of Juniperus pfitzeriana Aurea growing beneath it.

Softer colour

When I asked the owner (who is also the designer and planter) why she had not used Old Gold because of its superior colour she replied that in this setting she was entirely happy with the softer greenish yellow of Aurea.

Old Gold appears elsewhere in a group which contains two other spreading junipers. Grey Owl, which is silvery grey, and Kosteri, which is grey green, both contrasted in habit with a carefully pruned specimen of Salix repens argentea, a normally creeping willow, but here grafted on to a five foot stem of some other erect species to make a little weeping tree.

Then there is Picea abies nidiformis, a dumpy spruce which I had always believed that I disliked until I saw it in this garden making a neat, dome-shaped bush, contrasted with low horizontal layers of Juniperus sabina tamariscifolia and the more spikey branching of Euonymus fortunei Silver Queen.

Not far away is another little spreading fir tree, this time the dwarf form of Abies koreana which has its stiff needles arranged right round the stems so that the silver undersides can be seen contrasted with the dark green colour above. This has as its immediate companions Kniphofia Maid of Orleans, a little "red-hot poker" in which the flowers are wholly ivory white, and Mollinia coerulea variegata, by far the most beautiful of yellow grasses. Each gains from the contrast of its neighbours, the stiff angular branching of the fir, the erect flower spikes and sword-like foliage of the kniphofia and the light feathery shuttlecocks of the grass.

But catalogues of plants are dull things, especially when the names are unfamiliar, and it is difficult to visualise the plants that are being described. That is even more likely with dwarf conifers than it is with most plants for names have always been long, unwieldy and confused and can differ from one collection to another. In a nursery one is only likely to see small pot-grown specimens which bear little resemblance to what the plants will look like after a few years in the open ground.

Excellent book

Really the best way to make up one's mind is to visit a garden in which dwarf conifers are well grown, but failing this I recommend Adrian Bloom's excellently illustrated book, "Conifers for Your Garden." As the title implies this is a book about conifers in general, not simply the dwarf kinds suitable for the kind of intimate plant associations I have been describing. But plenty of dwarfs are included among its 200 or so coloured illustrations. My one regret is that so few show conifers in association with other plants.

Still it is an excellent guide to the plants themselves and good value at £2.30 from a bookseller or £2.50 direct from the author at Bressingham Gardens, Diss, Norfolk.

Saleroom

C. Springer work makes 17,000 gns.

A PAINTING by the Dutch artis Cornelius Springer of *The Hous of Kings, Amsterdam*, was sol for 17,000 gns. at Christie' yesterday. Dated 1855, it wa sent for sale by Sir Guy Fis and bought by Mr. L. R. Moul of Eastbourne.

The sale of 19th and 20t Century Continental pictur realised £372,446. The secon session totalled £291,128. Dutch winter landscape b Frederick Marinus Krusema dated 1875, sold for a recor 14,000 gns., also to Mr. Moul A painting by Jan Hendri Verheyen of *A Canal in a Dutc Town* sold for 7,500 gns. to private buyer while anoth Cornelius Springer picture, *Dutch Market Scene*, went f 6,500 gns. to a private buyer.

A Dutch Street Scene wi Figures by Willem Koekkoe sold for 5,500 gns. to Newm and *A Beach Scene* by Andre Achenbach sold for 5,000 gns. Richard Green. Williams a Son paid 4,800 gns. for *A Harv Scene* by Jules Jacques V rassat and the same price w paid by a private buyer for a pair of paintings by Abraha Hulk, Sr.

Two major pictures whi failed to sell at the auction we later bought. *On the Zuider Z* by Hermanus Koekkoek, togeth with another painting by th same artist, sold for 15,500 g to Mr. Mould. A Char Leickert painting, *Near Vo burg*, went for 13,000 gns. Fisher.

At Sotheby's a sale of furniture, British and C tinental pewter totalled £53,2 A fine Charles II fruitwo dresser fetched £4,000. Littles Antiques paid £3,200 for Charles I oak dining table. Lenester-Taylor gave £1,600 a rare Charles I oak table. Wh obtained a Charles II oak ga leg table for £1,400 and Dav son gave £1,250 for a Charles oak gateleg sidetable.

At Robson Lowe, Bour mouth, a sale of postage stan realised £31,546, with a Lond merchant's collection of Brit Empire fetching over £12,000 postal history sale on Thurs brought £33,010 and include 1920 cover from Great Brit to South Australia carried the famous Ross Smith flight £330.

Stanley Gibbons's two-day of stamps of the world reali £41,700.

A collection of British Em stamps issued between 1840-1 made £4,500, and a mint ginal block of four of Belgiu 40 centimes issue of 18 made £700. A marginal stri seven of the same stamp mint, made £410 and a fine used pair of the 10 cent stamp from the same is reached £400.

هكذا مت الأجل

How to spend it by Lucia van der Post

Country casuals

COUNTRY CASUALS is the perfect name for the new range of clothes that over the last two months have been going into 50 shops up and down the country, from as far north as Perth to as far south as Truro. The idea was the brainchild of Coats Paton, who own both the up-market Jaeger and lower-down market Jaegers. They felt there was a gap in the market, that there were plenty of women who like the whole Jaeger concept of good quality rather classic clothes that they could mix and match to create their own outfits but who weren't prepared to pay Jaeger prices. That is what Country Casuals is all about.

Mix and match

All the clothes are designed to mix and match. Wools and cloth have been specially dyed so that there are sweaters that go with shirts, jackets that go with skirts and so on. The garments are designed by a Swede, Torun Marks, who has achieved just what was asked for—clothes that are highly wearable, that are good quality and won't drop to pieces or look out of date in six months' time. And certainly, as to-day's prices go, they offer very good value for money.

I particularly liked the newest range of clothes, designed specially for Christmas—they're not going to send anybody gasping with astonishment but on the other hand they are eminently wearable, very suitable for draughty country cottages, they can be dressed up or down. For instance, there's a charming cream crêpe blouse for £7.75 which could be worn with day clothes, with trousers or with a long velvet skirt to turn it into an elegant evening outfit.

Alternatively there are long woollen skirts it could be teamed with for day wear or less formal evenings.

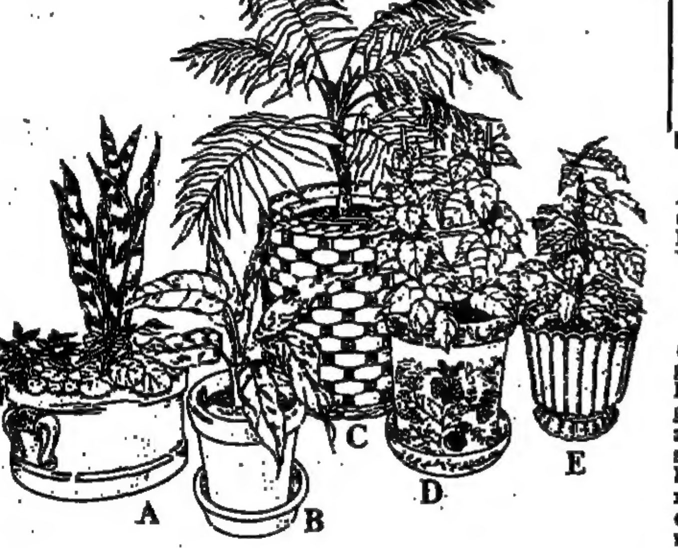
As I said before there are 50 shops, all called Country Casuals. None of them is in London, the theory being that London women are well catered for, and they were after the woman who wanted to be able to find these sort of clothes in her own High Street. If you want to know your nearest stockist write to Joanne Stocks, Country Casuals, 100 Park Village East, London, N.W.1.

Above: A long velvet skirt comes in sizes 8-16, can be black or brown and costs £14.95. The velvet wrap jacket also comes in sizes 8-16, black or brown and costs £25. The crêpe shirt comes in sizes 34-40, can be cream or white and costs £6. The black and silver lurex tank top comes in sizes 34-40 and costs £4.75.

Right. A pin-tucked blouse in cream crêpe, with beautiful sleeves, that can be worn as an alternative with the black velvet skirt. Or you can team it with trousers or with the long woollen skirts. Sizes 34-40, £7.75.

Available to personal shoppers only from the Neal Street Warehouse, 37, Neal Street, London, W.C.2.

Watch them grow



I AM an ardent lover of greenery, thinking that nothing looks nicer than fresh, green, growing things, particularly in a house in winter when cut flowers are very expensive and hard to come by. Alas, I'm poorly rewarded, my fingers are anything but green. I buy them, water them (but not too often); repot them and give them lots of devoted care but still they die.

After my latest sad death (a lovely, feathery green fern that cost, relatively speaking, a fortune) I determined to go about it scientifically and get advice from an impeccable source—the Flower and Plants Council, Agriculture House, Knightsbridge, London, S.W.1. They have several leaflets on caring for plants as well as a list of best seasonal buys.

Recommended

If you want to be really scientific buy the Diplex Moisture Meter. It's a small device you plunge into the soil and the meter then gives an accurate moisture reading. Full instructions are on the box. £3.99 in many garden departments and also by mail from Diplex, Instrument Division, P.O. Box 172, Watford, Herts.

The advice on the individual plants is taken from Arthur Hellyer's excellent book, "Indoor and Greenhouse Plants," £1.95, published by Hamlyn.

In the drawing, above, our artist, Frank Wheeler, has shown the plants most recommended as house plants. They are widely available but need varying sorts of treatment. In general, they shouldn't be put in draughty positions, look after them particularly carefully for the first week, water only as instructed (too much watering kills more plants than too little, particularly in winter when they need very little).

From left to right (A) Sansevieria trifasciata (or, more colloquially, mother-in-law's tongue) is the rather upright plant at the back of this stoneware tub. It's extremely hard-wearing (I can vouch for that as I have one that has survived even my deathly touch for five years), will grow in the sun or shade but it shouldn't be kept in temperatures below 45 deg. F.

It has rather fleshy, long pointed leaves, interspersed with stripes of yellow. It should be watered rather sparingly and should be given some kind of plant food between May and August.

The Stoneware plant holder is based on those old-fashioned footbaths that have now become popular as plant holders. This one is made for Habitat and comes in natural stone colour. 10-inch size is £2.85, 12-inch is £4.25. At all Habitat shops, but for personal shoppers only as it is unfortunately to heavy to go by mail.

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(B) Dieffenbachia (or Leopard's Lily) also has rather large leaves which have cream and yellow blotches. It should be kept in a rather shady position in the room and it likes warmth, with a minimum temperature of 60 deg. F. Should be watered just enough to keep the soil moist in autumn and winter while in the spring and summer it needs much more water, as well as plant food.

The plant is shown in a plain white clay pot which has been glazed white. This makes a marvellous background for greenery. There are three sizes, 3 inches (50p); 4 inches (68p) and 6 inch (£1.37p). They are available at Cucina, 8, Englands Lane, London, N.W.3 and 4, Ladbroke Grove, London, W.11. They will send by post if you add 20p, 25p and 35p respectively for the post.

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(C) Palms are just about the most fashionable indoor plant to have in the house at the moment. Most palms grow better in shady greenhouses than in rooms because they like moist air, but the best kind for keeping indoors is Neanthe Bella, or dwarf palm, shown in this drawing. It is slow growing so that it can be planted in a bottle garden and it will grow in sun or shade. Water frequently in spring and summer, sparing in autumn and winter. Sponge the leaves often to wash off dust which clogs the pores and to keep them glossy.

The palm is shown here in what is actually a wastepaper basket (and a very nice one, too) but I think it makes a perfect plant holder as it is plastic-lined. It is 12 inches high, 10 inches in diameter, is made in the Philippines and costs £2.

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(D) Cissus Antarcticus (or Kangaroo Vine) has heart-shaped leaves which are a rich, glossy green. It is rather like a vine and should be propped up with stakes or a small trellis. It can be grown in rooms with a minimum temperature of 45 degrees F. It doesn't need too much light. Water freely in spring and summer, moderately in autumn and winter. Pinch out the tips of growing shoots occasionally in summer to keep it down in size.

It is shown in a very decorative hand-painted Portuguese earthenware container with a matching saucer. It comes in two sizes—8 inches high, 8 inches diameter (£7.93+p+p 40p) or 5½ inches high (£4.81+p+p 35p). Also from Cucina at addresses given in (B).

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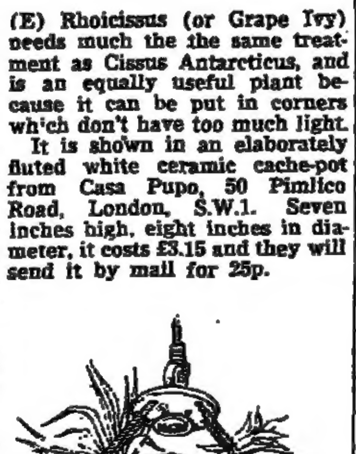
(E) Rhoicissus (or Grape Ivy) needs much the same treatment as Cissus Antarcticus, and is an equally useful plant because it can be put in corners which don't have too much light. It is shown in an elaborately fluted white ceramic cache-pot from Casa Pupo, 50 Pimlico Road, London, S.W.1. Seven inches high, eight inches in diameter, it costs £3.15 and they will send it by mail for 25p.



(F) Hedera or Ivy is another very useful plant because it's easily grown, looks very decorative and survives many disasters. There are many varieties, some more decorative than others, having either grey, silver, cream or yellow markings. They will grow in unheated rooms, in sun or shade. Put them into John Innes or peat-based potting compost. Water freely in spring or summer, moderately in autumn and winter. Take cuttings off it in the summer if you want to.

The hanging basket is in fact stoneware, hand-thrown and hand-decorated, made by a firm called Ratio Pottery at 30, St. Mary's Row, Moseley, Birmingham. This is just one of their large range of pottery plant containers. In London it can be seen and bought at the Best of British, 25, Museum Street, London, W.C.1. Ratio Pottery will also sell by mail order and a large stoneware container would be £9.75 (about 14 inches diameter, 11 inches deep), a medium one £6.75 (10 inches diameter, 9 inches deep), a small one £5.00 if decorated, £3.50 (both 6½ inches diameter, 7 inches deep) if undecorated. All prices include postage, packing and insurance.

Master in your own home...

IF BLANK WALLS are your problem and you long to know of ways of livening them up, you now have a greater choice at reasonable prices than ever before. Once upon a time there were only two alternatives—either expensive originals or reproductions of paintings that were usually unacceptably pallid imitations of the originals. Nowadays the range of original prints has increased enormously. These are original works of art in the sense that this is the medium the artist has specifically chosen to use in order to produce a required effect and the fact that you may then get several or even a 100 prints from the same block is an added bonus.

Many of our most famous artists have chosen to create in this way — whether etchings, lithographs or silkscreen prints. In this way you can often get a signed original print from a famous artist for a fraction of what it would cost if you bought one of his paintings or drawings.

More than one

There are several galleries who specialise in original prints. Christie's Contemporary Art, an off-shoot of Christie's the fine art auctioneers, branched out into this field last year and started with limited editions of the work of Elisabeth Frink, Barbara Hepworth, John Piper, Patrick Procktor and Feliks Topolski. Some of these are still available. This week they have just launched four new original lithographs, all on the theme of wildlife or sport. There is Susan Crawford's "Horse and Rider" at £50, Michael Warren's "Lapwing" at £30, Don Cordery's "Spectacled Owl" at £30 and Peter Howell's "The Last Furlong" at £25.

You can see the latest prints at Christie's Contemporary Art, 11, Albemarle Street London, W.1, but they can also be bought by mail order. You can write for leaflets which illustrate the prints.

Sanderson's in Berners Street, London, W.1, also display some of the Christie's prints and will send them by mail order. They will send them in a fine aluminium frame for an extra £15.

Take home

Zella 9 is a small but charming gallery (though undergoing some building work at the moment) at 2, Park Walk, London, S.W.10, where they not only sell limited editions of prints by (mainly young) artists but they will also let you take them home on approval to see if you really like them. You can even pay by instalments if you're feeling hard-up and, as a final inducement, they're also open on Sundays so that couples can go and choose prints together. Prices start at £23 for prints and go up to about £100.

● Above: one of the latest prints from Christie's Contemporary Art. "The Last Furlong" by Peter Howell is £25 and comes in an edition of 200. Left: I'm very fond of this witty original print by Man Ray. One of an edition of 100, it is called "Blue Hand," costs £120 and is available from Save & Invest, of 34, Wood Lane, London, W.12. The same firm also have eight "non-Euclidean Objects" by Man Ray, which are rather stark, strong multiples, as well as prints by Wilfredo Lam and Hans Bellmer.

Editions Alecto are great favourites of mine—they often have works of great vitality and are well worth a visit. They're at 27, Kelso Place, London, W.8.

The Curwen Gallery, 1, Colville Place London W.1, has a large selection of appealing original prints, so visit them, too.

Out of London three of the best galleries I know of are:

The Arnolfini Gallery, 42, Triangle West, Bristol 8.

Oxford Gallery, 23, High Street, Oxford.

Richard Demarco Gallery, 8, Melville Crescent, Edinburgh 3.

and...

Michael Thompson-Noel discovers some of the up-and-coming masters

NORMAN ACKROYD print-pulling in his studio. Photograph: Corinne McCarthy.

JOHN BELLANY, Norman Ackroyd, Brendan Neiland ... perhaps you've never heard of them, but it is likely that you will. They're members of a community of artists who in recent years have settled in the London boroughs of Southwark, Lambeth and Wandsworth.

This week, burrowing into the South Bank community to discover who's who, I have come across these three among a number who are tipped to be "discovered."

Not that they're unknown: all studied at the Royal College of Art; all have had a clutch of exhibitions, and all have established big reputations among their fellow artists. What they need now is wider recognition, and according to the grapevine they may well soon get it.

John Bellany is 32 and studied at the Edinburgh College of Art and the RCA. It is pointless to attach labels to painters, but in modern art jargon Bellany would probably be described as a "Figurative Expressionist."

In one of his exhibitions he called his pictures collectively "Obsessions," and that is what they are: big, strange canvasses of striking power and imagery. The images recur: there are birds and skulls and a weird and sombre dog.

On film

His paintings have found their way into collections in Britain, Europe, America and Canada. The Arts Council recently bought "The Voyage" out of his latest show and the BBC is now shooting a 30-minute film of Bellany's life and work.

Bellany completes around 30 canvasses a year, but destroys many more. At gallery rates his paintings sell at between £150 and £700, his drawings, of which he produces a great deal, at £30-£60, and his etchings (usually in small editions) at £15-£25.

Norman Ackroyd, South Banker No. 2, shares a studio with Bellany. He is 35, studied at Leeds College of Art and the RCA and lives in Clapham. He has taught in the U.S. and produces many more etchings than paintings, working principally in black and white. The object, he says, is to explore the full tonal range from darkest black to brightest white.

The etchings are usually produced in editions of 40, 50 or 75, depending on the delicacy of the plate. Single-colour prints sell at £12-£20; larger plates, or those with more than one colour, at £25-£30. His "Millbank Towers," a series of prints based on the Vickers Building, are in editions of 50 prints, 18 inches by 20 inches, and cost £18 each. His oils sell at from £90 for a small one to £300-£400 for the larger ones.

Brendan Neiland, South Banker No. 3, is 32 and studied at Birmingham College of Art and the RCA. He produces large-scale spray gun canvasses, together with drawings and photo silkscreen prints. He paints reflections from metal surfaces, using photographs for reference.

The big spray-gun canvasses can be painted "on site." He completes around six big canvasses a year—some of 30 feet. They sell at £300-£700. His drawings sell at up to £100 and the photo silkscreen prints at around £25 each in editions of 60 and 75 or at £16.50-£30 in bigger runs. "Auto-Suite," a group of three prints, costs £80.

WHERE TO FIND THEM

JOHN BELLANY'S home telephone number is 01-720 2747. The address of his studio: 157, Battersea High Street, London, SW11. His work is on view at the Drian and Nicholas Treadwell Galleries, London: the Hendrix Gallery, Dublin; and the New 57 Gallery, Edinburgh.

NORMAN ACKROYD'S home telephone number is 01-622 1541 and his studio address the same as Bellany's. His work is available from Studio International Publications of London, the print dealer Pru O'Day (Tel. No. 01-385 4797), and the Palace Gallery, Shelton Street, SW1. His work can also be seen in the following galleries: the Arnolfini, Bristol, which is currently showing an Ackroyd exhibition; the Park Square, Leeds; the Compass, Glasgow; the Klein-Vogel, Detroit; the Mickelson, Washington DC; and Associated American Artists, New York City.

BRENDAN NEILAND'S home address is 24, The Chase, Clapham, London, SW4. His work is available from Pru O'Day, Penjohn Press and the Angela Flowers Gallery, London.

more armchair Christmas shopping

THE LOVED ONE

Alexander and Boston, 10-12 West Street, Ashburton, Devon

will imprint the photograph of a loved-one (whether child, dog, man, woman, or indeed house or motor-car) on to a small plate, saucer, mug or cup. The process is complex and I won't go into it but suffice it to say that for 95p you will have your original photograph returned undamaged, the print the firm took from it, the piece of pottery, a printed gift card. Or they would send the pottery and the gift card to a second address. I've seen the results and it certainly makes for a splendidly personal present.

on the scent

Robert Jackson and Co., 6a/6b, Sloane Street,

have brought out an illustrated two-page leaflet called simply "Scented Pleasures by Post." There are beguiling things like an Apothecary's Jar of Cottage Garden Pot-Pourri for £1.65, Jacksons "Old Manor House Cologne," 40 oz in a square bottle for 95p, pot-pourri pillows, scented candles.

Collecting wisely

The eminent Victorians

BY JANET MARSH

AMONG ALL the Victorian painters, the critical decline and subsequent rehabilitation of Sir Lawrence Alma-Tadema has been more extreme than most. For over 50 years he painted serenely and profitably on without seeing any need to change or modify his style.

"During his lifetime," wrote an admiring critic near the end of the painter's life, "many other tendencies have come into being of which his art bears no reflection . . .. the result of conditions which having disturbed, for good or ill, the social outlook of mankind, have also disturbed the equilibrium of artistic expression. Of all this we find no indication in Sir Lawrence's art. He has escaped it. He has remained in a more serene atmosphere. . . ."

His escapist serenity remained marketable, happily, to the end of his career; but only just. In 1913 a memorial exhibition to a painter who had stood at the peak of the Victorian artistic world was disastrously poorly attended. Since then there has been no exhibition in Britain; and art galleries have been inclined to hide away his pictures of soulful maidens and gallant men posing in classical settings. A decade or so ago you might have bought an important Alma-Tadema for no more than a hundred pounds.

Now with renewed appreciation of the period of Alma-Tadema's prime—the 1870s and 1880s—his rehabilitation is dramatic, and is now dramatically vindicated by the sale (next Tuesday) at Sotheby's Belgravia of the Allen Funt collection, which serves to provide, for a few days, a notable exhibition of 35 representative examples of his historical painting.

Tadema was born in Freisland, and never lost his Dutch accent—which made more comic his delight in puns and jokes, which he would retell with delightful disregard of the actual point. His father was a notary; but when his widowed mother recognised that Lourens (as he was baptised) had no taste for the law, she enrolled him in the Antwerp Academy. This was in 1852, when he was 16. His teachers there all happened to be devotees of genre painting; and in particular his associations with Hendryck Leys (whom he assisted on a series of mediaeval panels for Antwerp Town Hall) and the archaeologist Louis de Taye determined his life-long preoccupation with themes from ancient history.

The earliest picture in the Sotheby sale is a watercolour study for "Fredegone at the deathbed of Praetextatus," dating from the period of Tadema's interest in the Merovengian era. Already, however, a visit to London and the Department of Antiquities of the British Museum had launched him on the next stage of his work, a fascination with Egyptian subjects.

Finally, though, it was his honeymoon trip to Pompeii in 1863 that determined the ultimate direction of his work. From then until his death 50 years later, his principal activity (quite overshadowing his gift for perceptive portraiture) was the evocation of a quintessentially Victorian view of the Roman world — statuesque,

The Discourse (detail)

languid and lovely people serenely posed in minutely researched settings of lush villas, all marble and flowers.

He was lucky to find an early impresario in the eminent Belgian art dealer Ernest Gambart, who guided Tadema to the immense commercial success he was to continue to enjoy. In 1869 he settled in London; and in 1873 took British nationality, anglicising his forename and permanently adopting Alma as a prefix to his surname, thereby ensuring precedence in all alphabetical listings of painters.

Perhaps the richest artist of his day, he enjoyed the fruits of success. His first London home was ruined by the explosion of a passing ammunition barge on the Regent's Canal.

Afterwards he converted the house in Grove End Road which he had bought from Tissot into a fabulous mansion with huge rooms in the style of Hollywood epic, realising the lost worlds of his own paintings.

His intense appeal to his contemporaries (which he fostered more and more knowingly) lay in several factors. Foremost was his flattering equation of the supremely self-confident and prosperous society in which he lived with the glamour of Imperial Rome. "He, more than any other painter, made the realisation of ancient architecture, and in a large manner, the ancient life of Greece and Rome, a fireside matter," wrote a contemporary reviewer.

He saw it, said the same writer, "not from the standpoint of the archaeologist, but from that of the creative artist, who says, in effect, achitectural forms have changed, manners and customs have changed, but in the human type, like history, nature repeats herself." Often he would flatter his important patrons by including their portraits in his classical compositions.

Again there was his dazzling technique — pedantic perhaps (he had twice weekly consignments of rose petals sent from the Riviera for four months while he was painting "The Roses of Heliogabalus"—a riot of female limbs in a snowdrift of pink petals) but unequalled in his ability to convey the exact textures of marble and metal and flesh.

Flesh, indeed, was no small part of his attraction. Respectably decked in antiquity, his pictures are potently erotic. There is indeed a legend that he painted private works for the Prince of Wales's personal pleasure.

It is hard to know which of these attractions is most critical to the rehabilitation of the artist. Perhaps, finally, the cryptic self-fantasy of a lost age of security, complacency and the serenity which Tadema (because he was bad at conveying movement of any sort) crystallised in his paintings.

The Arts

The Bristol School

BY MARINA VAIZEY

One of the most fascinating aspects of looking at art is the far from immutable character of our understanding and our judgments. In 1972, Colin Thompson rehung the collection of the National Gallery of Scotland for a considerable period, not in the normal chronological convention but in terms of when paintings had entered the collection. The result was an implicit and powerful history of taste from the foundation of the National Gallery in Edinburgh to the present.

Now Francis Greenacre, curator of fine art at the City Art Gallery, Bristol, has devised with great skill a major exhibition devoted to *The Bristol School of Artists: Francis Danby and Painting in Bristol 1810-1840*. Dr. Eric Adams, who was curator for six years at Bristol pioneered modern appreciation of the great gifts of Francis Danby (1793-1861) and his major book (subtitled Varieties of Poetic Landscape) has just been published (324 pages, 160 illustrations, 8 colour plates, Yale University Press, £9.50). The book is powerful, persuasive and lively. And it is also another example of the great indebtedness modern studies of past British art owe to the imaginative subsidies of the Paul Mellon Centre for Studies in British Art.

Danby is naturally the star of the present exhibition, but as Dr. Adams' book is concerned with Danby in the special provincial culture of Bristol, as well as of course treating with sensitive detail his subsequent career, so the exhibition is concerned to set Danby in the context of a whole group of Bristol artists. In the process, several Danbys, including the marvellous painting owned by the Tate, *The Tranquil Lake*, has been tentatively reattributed by Francis Greenacre to James Johnson (1803-1834). Johnson, who had periods of mental breakdown, worked with a severely restricted palette and in a more overtly stylised manner.

Three hundred and sixty paintings, drawings, watercolours and prints by a number of artists are exhibited, and can be seen until November 10. Perhaps it's too big. But the painstaking and possibly controversial catalogue (£1 at the gallery £2.50 by post) is packed with information. The compiler persuasively argues the case that the group of painters on exhibit, variable as they are, can most readily be understood as one of our few major provincial schools and one that produced a certain number of paintings of unusual and telling character.

By "school" in this context we understand some shared attitudes and aspirations among a group of artist-friends. There is a pronounced sense of specific, particular landscape, the much visited surroundings of Bristol, the city itself. And a mutual "sparking off" which resulted in major paintings both of natural and imaginative fantasy landscape.

Minor painters, like J. B. Pyne, Samuel Colmen, and Samuel Jackson produced paintings of emotive imaginative power, risking more, daring something, and occasionally succeeding well beyond their natural talents.

The affinities are in the beginning, with Biedermeier painting, and some of the paintings by an artist like Christen Kobke (1810-1848) an exponent of the purest Biedermeier painting, so-called "early naturalism" are almost startling, particularly when we look at the dazzling small *Portrait of Edward Bird, RA*, by Edward Villiers Rippingille (1798-1859). It is meticulously painted, the artist at his easel, a brilliant clear light flowing in through a partly covered window; it is somewhat neo-classical in mood, but underlying its convention is the tightrope Rippingille successfully negotiated in this particular painting between formality and relaxation, resulting in an intense little painting of astonishing power. And Kenneth Garlick has noted the affinities between Danby and Caspar David Friedrich, not to mention Coleridge.

Danby scrupulously observed natural features and elements. His early work is distinguished by the reality of his trees, reflections in water, and the unassuming and delightful naturalism of real people in the marvellous natural settings which are part of Bristol and its environs. Danby's people are *enjoying* the landscape in which they are depicted. *Boys Sailing a Little Boat, A Scene in Leigh Woods, A View of the Avon Gorge*, are not only beautifully painted, but innocently, naively seductive in the direct visual communication of the natural beauties of scenery treated with scant attention to the picturesque.

Danby's technique itself, as is the case with other artists in the exhibition, has not always stood the test of time, but his major painting, *An Enchanted Island*, once thought beyond redemption, is in the process of being carefully restored and is now considerably more than a shadow of its former self.

It is a painting bathed in a golden haze; the foreground is strewn with exquisitely painted plants and waterlife; the river or lake swoopingly curves against the land. Nymphs bathe by an island, while others recline in a little boat drawn by swans. On the island, firelight glows in a dark grotto, while small shafts of sunlight strike through the tops of tall trees. It is imaginary, but the great rocks which dominate part of the shore were no doubt found in life, Stapleton perhaps, as are most of the elements of the striking composition. But all has been drawn together in such a way as to merit the word enchanted.

Danby's imaginary landscape paintings were "in intention, poetical, a word Danby himself used to describe them." And others too launched themselves in fairyland boats across imaginary lakes: there is J. B. Pyne's *Imaginary Scene* (1828), a little oil in which the earthly figu[res] on the shore, the lady with [her] parasol, the gentleman with [his] sketching pad, are bu[sy] observing an amazing landsca[pe,] a lake, a boat almost Italian[.] And there is Samuel Jackso[n's] watercolour, *A Land of Drea[ms]* "where the Spirit strays in [the] silent time of night" in sp[ite] of the expensive mellow light [on] the entire scene.

In Bristol there were at [one] time evening sketching parti[es] and sketching expeditio[ns;] amateur and professional ar[tists] mingled, exchanged ideas, s[aw] each other's work. Topograp[hi]cal scenes, genre scenes [and] depictions of actual Bristol [events] figured large. Some of them [are] very fine, as in the brilli[ant] series of little watercolours [with] body colour, and oils, show[ing] the great fires of the Bri[stol] riots, 1832, by William Ja[mes] Muller (1812-1845) Bristol's [best] known artist. Müller's work [in] Bristol is of course later t[han] Danby's, who was already [in] London by 1824, and indeed [due] to a series of tempestuous [per]sonal problems of love [and] money, abandoned England f[rom] 1829 to 1838. But a connec[tion] to the Bristol School on the [part] of Muller is convincingly m[ade.] Muller was apprenticed to P[yne] and as Muller's father was curator of the Bristol In[stitu]tion, he would have seen [the] first exhibition of the Br[istol] artists in 1824-25. His work [is a] coda, as it were, to the first [flush] of visual innovation among [the] Bristol School.

That innocence, that e[nthu]siasm, didn't last; the od[dness,] the strangeness, the great na[tural] passion that distinguishes Da[nby] and a significant amount of [the] work of lesser artists, [was] diluted as the group dispe[rsed.] An intensity was lost, and s[ome] of the artists went worthily [into] solid, Victorian, pleasing [and] perhaps pedestrian. It [has] hardly been a formal situat[ion.] But that a singular sensibi[lity] was shared to some degree b[y a] number of artists living [and] working in Bristol in the ea[rly] 19th century is startlingly [evi]dent in this enjoyable touch[ing] exhibition with its several [pic]tures of natural grandeur.

Loudon Sainthill's "The Musician" (gouache, water-colour, pen and ink) from the exhibition of his work at the Redfern Gallery. Sainthill's first exhibition was held in 1939, also at the Redfern, but from then on he preferred not to exhibit his work except on the stage, for which most of it was done. He became one of the foremost stage-designers of his time, and his death at the age of 50 in 1969 was a great loss. A commemorative volume of his work, with an appreciation by Bryan Robertson, is published by Hutchinson (£5.50). The profits from the exhibition will be devoted to the Loudon Sainthill Memorial Scholarship.

Macbeth BY B. A. YOUNG

Not much to be said for the Dolphin Theatre Company's *Macbeth* under Peter James at the Shaw; not much good, anyway. It is played by a cast of 17, of whom only two are girls—Sheila Allen, who is Lady Macbeth and a Roedean-style First Witch, and Pamela Roland, who makes a short appearance as Lady Macduff. Birnam Wood is not visible, nor is Banquo's ghost. The dagger that Macbeth sees before him is rightly described by him as "palpable as this which now I draw," since he neither draws a dagger nor even wears one. There is no sword-play; Macbeth's final contest with Macduff (Roy Boyd) is fought with quarterstaffs, and the only other casualty in the wars, Young Siward (Dai Bradley), is casually choked by Macbeth with one hand after he has laid his quarterstaff down and gone for him barehanded.

Macbeth is played by Tom Baker, still wearing his Nicholas II beard. For the first half of the evening he resolutely finishes every line on the keynote, so depriving his dialogue not only of aural interest but often of its basic sense. His lifelessness is in sharp contrast with Miss Allen's Lady Macbeth; we first see her waving Macbeth's letter in the air like a flag and reciting its contents as if they were a poetry lesson for schoolchildren. She uses some of the most curious caesuras I ever heard, such as "Who would have thought the old man to have had so much blood in Him." Duncan (Frederick Bennett) is very old, bald and little; he looks like Jean Genet, and reappears a moment after his death in the role of Old Man, still looking like Jean Genet.

I am inclined to ascribe most of the faults to the director—sadly, because Peter James is a director whose work I usually admire. But someone should have corrected all the inaudible speech, the meaningless readings ("How far is't called to Forres!!!"), the thoughtless details like Lady Macbeth's leaving her lamp burning on the stage after her sleepwalk scene. Diana Greenwood's set, two inclined planes with a raised platform between them that looks as if it had been temporarily erected to launch a ship from has such a poverty-stricken look that even if there had been any costumes not apparently made from old Army camouflage jackets it would hardly have been possible to provide any spectacle in the least impressive. The lighting is grey throughout.

But no more, I have said enough. We must have something better next time.

The week's theatres

GREENWICH—*Catsplay*. Whimsical new Hungarian comedy graced by the appearance of Elisabeth Bergner. Opened Monday.

HER MAJESTY'S—*Pippin*. An American musical-comedy version of the life of Charlemagne's son. Some attractive staging, but songs, dances and book are pretty lightweight and the production is a little under-cast. Opened Tuesday.

SOHO POLY — *Fun*. Accomplished production of a dullish new play. (Lunchtime.) Opened Tuesday.

ACT INN—*How Now?* Brian Murphy acting his guts out to make a slim story last through 45 minutes. (Lunchtime.) Opened Tuesday.

OLD VIC—*Saturday, Sunday, Monday*. High-spirited Neapolitan comedy by Eduardo de Filippo, directed by Zeffirelli with such style as to persuade us that the National Theatre company have become Italians. Fine performances by Olivier, Joan Plowright, Frank Finlay and a dozen more. Opened Wednesday.

OPEN SPACE—*The Shrew*. The latest of Charles Marowitz's Shakespearean cut-ups, turning *The Taming of the Shrew* into a ritual of debasement. Opened Thursday.

ALMOST FREE—*The Amiable Courtship of Miz Venus and Wild Bill*. Hilarious comedy, described in the title, with a not too serious bias towards Women's Lib. (Lunchtime.) Opened Thursday.

هكذا مات الأمل

Cedar introduce three new Unit Trusts

One of the Prime purposes of investment is to protect the value of your money so that in future years it will be in a position to buy the same goods and services no matter how high prices have risen.

It is for this reason that Cedar Fund Managers have introduced three new Unit Trusts with the common theme of *sustained growth* as their investment criterion: Cedar British Trust, Cedar European Trust and Cedar Overseas Trust.

The concept of a Unit Trust, the way it works and its undoubted benefits, has been covered in depth over recent years. However, the following basic observations must always be kept in mind when considering an equity investment.

1 The average individual has rarely sufficient time or the expertise to give proper care and attention to his own investments or the investments of others for which he may be responsible.

2 Specialised advice is not always readily available for the individual with a limited amount of capital for investment.

3 The individual is unable to take a keen competitive interest in overseas markets; currency loans and money market operations are beyond his sphere of activities.

The simple answer, of course, to these problems is the Unit Trust.

Cedar Unit Trusts provide professional expertise in investments, a low entry point (£100), a spread of first class investments both at home and overseas and the advantages of foreign currency loan facilities.

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In addition to the reasons given above for investing in a Unit Trust, Cedar Fund Managers have pleasure in drawing your attention to the further advantages they can offer you *NOW*.

Cedar Fund Managers consider that in order to obtain sustained growth the selected investments must be directed towards companies with a growth of earnings and with an expanding and progressive future. This criterion should apply no matter in which part of the world one invests, and with world stock markets at a generally low level Cedar Trusts are poised to capitalise on this situation.

CEDAR BRITISH TRUST will be taking advantage of the many first class U.K. Equity stocks now standing at low points after 18 months of falling markets. (Estimated starting gross yield: £2·46%.)

It should be noted that the Trust does retain powers to invest overseas although this is not the intention of the Managers in the current political and economic climate.

CEDAR EUROPEAN TRUST will be investing primarily in France, Germany, Switzerland, Holland and Belgium. (Estimated starting gross yield: £1·79%.)

CEDAR OVERSEAS TRUST will initially hold a high proportion of common stock in the United States of America with consideration also being given to Canada, South Africa and the Far East. (Estimated starting gross yield: £1·01%.)

The investment approach to each trust will be entirely flexible in light of changing economic conditions in particular sectors or countries. This flexibility is now further facilitated by the reduced rate of Capital Gains Tax payable by Unit Trusts on their realisations.

If, in the future, *you* wish to switch your area of investment from, say, Britain to Europe, Cedar will reduce their initial service charge by 50% on the purchase of the new units.

An additional factor well worth considering is that the **Cedar Unit Trust Purchase Plan** will give you the opportunity to purchase up to *five times* the number of units for which you have funds available; spread if you wish over all three Unit Trusts.

ADDITIONAL INFORMATION

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FT1

RESIDENTIAL PROPERTY

Property and housing

Danger, sharks in these waters

BY JOE RENNISON

A VERY funny thing happened to a group of people on their way to buy a villa in the sun earlier this year. Twenty punters from this country went to a certain offshore island to seek the holiday home of their dreams. They were also intent on breaking the law in no uncertain manner. They wanted to pay for their houses through one financial fiddle or another in order to avoid the exchange control regulations and payment of the dollar premium.

Well, all seemed to be going well. They found the paradise they were seeking and payment began. Some put down a deposit on the villas and others paid the full price straight off. Then the agent did a moonlight flit with the cash leaving the punters with no legal documentation giving them ownership of the houses they had bought.

There they were with their financial pants flapping around their ankles and with absolutely no way of hoisting them up again. Under the law of the land they had no claim to the properties. And they could not complain to the authorities in this country about the activities of the agent or there would have been some searching questions by Treasury investigators about how they came to avoid paying the premium. And the penalties for failing to do so can be quite severe.

Avoiding tax

The moral of this story is twofold. First, there is the activity of the prospective buyers. With the British ingrained instinct for avoiding taxation this sort of thing is bound to happen. I am not defending the existence of the dollar premium but the law is the law and they went into it with their eyes open.

But what is more significant is the existence of unscrupulous agents in the sun spots who are willing to aid and abet the illegal payments. That is not to forget the little detail of running off with the cash. That could have happened to any buyer whether he was trying to buy on the side or not. So what protection can the bona fide purchaser expect when he wanders into these murky waters abounding in sharks just waiting to bite him?

The answer is precious little. He can, of course, take all the normal precautions that he would when buying a property in this country. He should take the best possible legal advice and take the usual precautions of not paying over any money until the overseas equivalent of contracts, etc., have been signed and sealed.

Evil intent

But the primary advice for the buyer usually comes from the developer or his agent or consultant. How can he know that the advice that he is getting is correct and without evil intent? Again the answer is that he does not know and there is no guarantee for him that he is not paying over money to a crook.

The first faltering steps have at last been taken in this country to give some measure of protection but the efforts so far are rather feeble and if the organisation concerned is to succeed a much more decisive policy will be needed in the immediate future.

In April this year the Federation of Overseas Property Developers, Agents and Consultants was formed from founder members who represent a cross section of those concerned in selling overseas property.

The Federation was formed "for the purpose of requiring that the members thereof shall provide the highest standard of service to the purchasers and intending purchasers of overseas property with whom they deal and in assisting members in the attainment of the purpose." Good thinking. The first bye-law of the Federation spells out more precisely what their aims are. "Members shall make honesty and integrity the standard in all their dealings with their clients and customers. They shall avoid misleading property descriptions, concealment of pertinent information and exaggerations in advertising. They shall not market property for specific purposes if that property is not accessible and usable for such purposes."

All very worthy sentiments and the other rules and bye-laws are similarly very encouraging. But after that there is a singular lack of enthusiasm on the part of the member firms to push these principles as hard as they should.

It was agreed at a General Meeting in May that the policy of the Federation during the first 12 months should be limited to: reinforcing the Federation, investigating possible guarantee bond and title insurance schemes and attempting to change the Government's policy on the maximum sum permitted under the exchange control regulations free of the dollar premium for those people emigrating from the U.K.

Only on one of these three fronts have they been successful. Last week the Federation announced a bond scheme whereby monies would be put into a central pool to cover amounts paid to agents by clients for overseas property transactions. In the event of a failure to produce the goods by the agent, the bond would cover any loss experienced by the prospective buyer.

Publicity shy

On the question of emigration the Federation has found that the Government is unbending on its attitude to people taking money out of the country for this purpose. At present it is only possible to take £5,000 without paying the dollar premium to a foreign country for the purpose of permanent emigration. This is quite obviously totally inadequate under present circumstances and I would whole-heartedly agree with the Federation that this is in urgent need of updating. It is not the Federation's fault that it has come up against a brick wall.

But it is on their first point about reinforcing the Federation that they seem to have fallen flat. The members are curiously shy about publicity and of strengthening their position by attracting new members. This is surely what is most urgently needed. They claim that they want to play it very cool at present, but if they carry on in this way they will think themselves out of existence.

Such an organisation is desperately needed. But it must be on a larger scale and with more teeth. Its present scale of operations is not going to make any difference to the operation of crooks or under-the-counter dealers.

What really is needed is a body of this kind, similar regulations, but with some kind of official backing. For a long time there have been moves to have estate agents licensed in this country, and all efforts have failed. It is even more important that this should happen with those operating overseas and in many places beyond the reach of the long arm of British law. Something along the lines of the NHRBC guarantee would be welcome.

On the domestic scene no mortgage on a new property will now be given by building societies if the property does not come under the NHRBC scheme. Some similar kind of system would be very welcome on the overseas property scene. It probably could not cover building standards but it could cover the professional conduct of agents and developers and buyers could be discouraged from purchasing property from any who did not come under the scheme and contribute to a hefty bonding agreement. It would have three advantages: the customer would be protected: the good name of honest developers would be protected and the Teasury would get all the pennies due to it under the exchange control regulations.

Around £180,000 is being asked for Fountill Farm, a black and white half-timbered Sussex farmhouse near Newick. Apart from the main building there are two cottages and the whole lot stands in 25 acres. The house is sixteenth century and is scheduled as of historic interest. There are two reception rooms, five bedrooms, two bathrooms and an old wagon shed converted into a playroom. The agents are the firm whose name is not so much a name as a short story: Humbert, Flint, Rawlence and Squarey incorporating Osborn and Mercer, 28, Albemarle Street, W.1.

More moves overseas

TWO MORE British firms have joined the long list of those selling property overseas.

Gross Fine and Krieger Chalfen, the London estate agents, have moved into France. They are acting for a development called Les Marines de Cogolin in St. Tropez Bay. The development, which is backed by Banque Rothschild and Credit Lyonnais is said to be the last marina scheme which the French Government will allow on the south coast of France.

There are 600 apartments in three groups plus shops, restaurants, discotheque, night club, cinema, sailing school, etc., and the marina contains 1,600 berths. Swimming pools and tennis courts are under construction.

It is now possible to buy in the final stage of the development known as La Cascadelle. The apartments, which range from studios to large duplex are between £15,000 and £37,000. The berths, which are being sold on 50-year leases range from £2,500 to £8,500. It is possible to buy a berth without buying a flat. Gross Fine and Krieger Chalfen, 27, Princes Street, London, W.1.

Another interesting move is that one of Britain's most successful holiday firms, Horizon, is going into the overseas property sales business. They are obviously hoping to gain from their long experience in the travel business when selecting the properties they will be putting up for sale. I shall be returning to this subject in a couple of weeks when fuller details of what and where they will be selling are available.

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The Gilt Edged Bond is based on a specific issue of Treasury stock. The special nature of this stock means that if interest rates fall at any time during the next six years, you can realise a capital gain relating to this fall.

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We therefore believe that the chances of your benefiting from this situation are exceptionally good.

If interest rates are lower when your Bond matures in 1979, you will get back your initial investment plus a bonus which will relate to interest rates then (see table opposite).

If rates fall *before* 1979 and you therefore decide to cash-in early, you will similarly receive your initial investment, plus a bonus which corresponds to the then current rates of interest.

If on the other hand rates stay at their current high level – or if they go even higher – you can choose to go on drawing your guaranteed income and get your original investment back in full in six years time.

But you should take note that, if this last situation does occur and you *still* decide to cash-in early, you will forfeit a portion of your capital. Again, this is illustrated in the table.

The Gilt Edged Bond is issued by The Trident Insurance Company – a member of the £400 million international Schlesinger Group which over the past 70 years has been successful in banking, property, insurance and finance.

Guarantees

The Gilt Edged Bond offers you two important guarantees:

1) To pay an income of between 8.88% and 9.50% a year net of tax at the basic rate of 30% for the next six years, depending on your age when you take out your Bond.

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How much income will I receive?

The table below shows rates of income for people between 20 and the maximum age for this investment of 85. Income cheques will be paid six monthly in arrears. Depending on your age, the guaranteed income you will receive will be:

Age when taking out Bond	Net income		Annual net income per £5,000 invested		Equivalent gross income	
	Men	Women	Men	Women	Men	Women
20	8·88%	8·88%	£444	£444	12·68%	12·68%
30	8·88%	8·88%	£444	£444	12·68%	12·68%
40	8·88%	8·88%	£444	£444	12·68%	12·68%
50	8·91%	8·89%	£445	£444	12·72%	12·70%
60	8·96%	8·93%	£448	£446	12·80%	12·75%
70	9·10%	9·02%	£455	£451	13·00%	12·88%
80	9·50%	9·29%	£475	£464	13·57%	13·27%
85 (max.)	9·50%	9·50%	£475	£475	13·57%	13·57%

How much might my Bond be worth?

The table below shows the cash-in value of a £5,000 Bond, assuming various interest rates and cash-in dates:

	7%	9%	11%	13%
March 1974	£6,260	£5,300	£4,620	£4,250
March 1975	£6,270	£5,320	£4,670	£4,340
March 1976	£6,280	£5,340	£4,720	£4,440
March 1977	£6,280	£5,360	£4,780	£4,560
March 1978	£6,290	£5,390	£4,850	£4,690
March 1979	£6,300	£5,420	£4,920	£4,830
Maturity	£6,310	£5,430	£5,000	£5,000

Your return depends on the level of interest rates when you cash your Bond. Providing the gross redemption yield for the stock falls by at least 1% from its current level of over 11%, you can realise a capital gain.

The table above shows examples of the cash-in value of a £5,000 Bond, assuming yields on the underlying stock of 7%, 9%, 11% and 13%, at various cashing-in dates.

If you keep your Bond for its full term until 1979 your initial investment is guaranteed – and you stand to make a capital bonus from falling interest rates.

If on the other hand you cash-in early, you still stand to make a capital bonus if interest rates have fallen. But naturally if they have stayed at their present abnormally high levels – or have actually risen – you will forfeit a portion of your capital.

For the purpose of calculating cash-in values, your policy is allocated a nominal value of the stock.

In this illustration we have assumed yields between 7% and 13%, because we believe it unlikely rates will be outside this band. We will, however, be pleased to quote for other rates on request. All examples quoted above are net of the Company's management charges.

Can I check my Bond's value?

Yes. The Bond will be treated as a Fund, which will be divided into Units of equal value. You will receive one Unit for each £1 you invest. Current Unit prices will be published in the *Financial Times, Times, Daily Telegraph* and other leading national newspapers.

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If you die before your Bond matures your estate will get back your initial investment in full or its current cash-in value, whichever is higher.

How about tax?

Tax on income

(a) Basic rate tax. Your income payments are provided by a temporary annuity. And since a large part of these payments is treated as a return of capital, this part is not subject to tax. The balance is treated as interest and is therefore taxed at the basic rate. This is the usual position and applies if the annuity is treated by the Inland Revenue as a purchased life annuity within the meaning of the Income and Corporation Tax Act, 1970.

(b) Higher rate tax. If you are a higher rate tax payer a liability will arise, as may a surcharge on investment income. But this will only apply to the interest portion of your investment, as described above.

Tax on capital return

(a) Basic rate tax. You have no liability whatsoever.

(b) Higher rate tax. The provisions described for "Tax on income" also apply to a portion of the capital return, *including any bonus*. But the usual "Top Slicing" provisions of the Finance Act 1971 may apply to mitigate your liability. Full details are available from us on request, or from your usual professional adviser.

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But remember: this is a strictly limited offer made possible by current abnormally high interest rates. It should therefore be in your interests to apply right away.

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SIGNATURE
DATE / /

I authorise The Trident Insurance Company Limited to pay all amounts as they fall due to the credit of the following account:

ACCOUNT NUMBER
ACCOUNT NAME
10/2
Bank sortcode number*
Please insert name and address of bank.

GEB/3/11/FT

*The bank sortcode number is found in the top right-hand corner of your cheque.
Note: This advertisement is based on our interpretation of legislation in force on November 1st 1973. This offer is *not* available to residents of the Republic of Ireland. Usual commission rates will be paid on applications bearing the stamp of a Bank, Stockbroker, Accountant or Solicitor.
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Consumer Credit Bill bars sex discrimination

BY JOHN HUNT

DISCRIMINATION ON grounds of sex or race in the granting of consumer credit will be forbidden under the terms of the Consumer Credit Bill, which the Government hopes will become law before next summer.

A system of licensing for the organisations in the consumer lending field will be established by the Bill, which was published yesterday.

It also proposes the appointment of a consumer credit commissioner as "Ombudsman" and to operate a wide measure of control over the entire field of consumer borrowing.

One ground for refusing a licence would be that a lender "practised discrimination on the grounds of sex, colour, race or ethnic or national origin."

Sir Geoffrey Howe, Minister for Consumer Affairs, particularly had in mind in drafting this clause a greater measure of justice for women. The Government feels that women are often unjustifiably refused loans merely because of their sex.

Difficult

The Bill would still allow refusal of credit because a woman was not in regular employment or because she was pregnant and would be out of work for some time, but lenders will find it increasingly difficult to refuse credit to single women earning a good salary.

It is envisaged that the Bill will deal with the type of case where a series of complaints are made against a finance house or bank, thus establishing a pattern of discrimination. Similar criteria would apply in cases concerning race or colour.

In general, the Bill conforms to the pattern of the White Paper published in September. It compels truth in lending, disclosure of the true cost of credit and makes misleading advertising an offence.

It gives a wider measure of protection to consumers involved in credit transactions, including hire purchase, personal loans, second mortgages, credit cards and trading checks.

Penalties

It is expected that the Bill will receive Royal Assent well before the present session ends in July. The Consumer Credit Commissioner would then be appointed immediately and the main enforcement clauses would be operated within weeks. The *licensing system would come into* force in the autumn.

Heavy penalties are laid down for failure to comply with the new provisions. They range from a fine of £50 to £400 on summary conviction to two years or an unlimited fine on indictment.

Significantly, no specific term is laid down for the length that a licence will run. This will be left for the Commissioner to decide in individual cases and could, where he was not entirely satisfied, be for as little as six months. A company refused a licence could appeal to the High Court.

No names have been considered yet for Commissioner and no salary is fixed, although the cost of discharging his functions is expected to be £375,000 a year. The job will not necessarily go to a man—the Government has an open mind on whether it could be filled by a woman.

Abolished

A lengthy section of the Bill gives considerable protection against extortionate interest rates. At present a loan from a registered moneylender up to a ceiling of 48 per cent. is presumed by the courts to be reasonable.

This arbitrary figure would be abolished by the new measure and the onus would be on the lender to prove that the rate was not extortionate.

A credit bargain is defined as extortionate where payments are grossly exorbitant or grossly contravene principles of fair dealing. In such cases the court may revoke the agreement, set aside the debtor's obligation and require the creditor to repay the money he has received. In such circumstances, the creditor's licence may also be endorsed.

A "cooling off" period is provided in which a debtor or hirer can change his mind about entering into an agreement. The creditor must supply a copy of the agreement within seven days and the client has three clear days in which to cancel it if he wishes.

Information

The Government's White Paper indicated that a ban on unsolicited canvassing of credit business by telephone was under consideration. The Bill does, in fact, carry out this threat and makes such canvassing an offence.

As also foreshadowed in the White Paper, the Bill makes provision for a person to have the right of access to information held about him by a credit reference agency. On the payment of 25p, the agency must give him a copy of his file.

If he considers an entry incorrect and might prejudice him, he can require the agency to remove the entry or amend it. Where a dispute arises, either side may appeal to the Commissioner for a ruling.

Concorde to fly on London-Sydney route

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AIRWAYS is planning to put the Concorde supersonic airliner onto the London-Sydney route three times a week in the early summer of 1975, according to Mr. Richard Hilary, commercial director of the airline's Overseas Division (BOAC).

Mr. Hilary becomes deputy chairman of BOAC for three months from January to March 31 next, at which date that airline is finally dissolved legally to become fully integrated with British Airways.

He said in Sydney yesterday that British Airways would charge Concorde fares about 10 per cent. to 20 per cent. higher than present first-class fares on the Australian route.

Flying time, however, would be cut by half, to about 13½ hours with only two stops, at Bahrain and Singapore.

Decisions

Meanwhile, the British Aircraft Corporation made it clear yesterday that it had not yet sent to the Department of Trade and Industry its report on proposed future production and development of Concorde.

This report, which will guide Ministers in their decisions on future Concorde activities, is nearing completion and will be delivered within the next few days.

All the DTI has at present is a draft report from Aérospatiale in French, which has still to be translated.

This sets out the French manufacturer's views, but has to be supplemented by a report the French Government has commissioned from an independent engineer, M. René Bloch, which has not yet been completed.

Thus, neither the U.K. nor French Governments know fully what the manufacturers are proposing in detail for the future Concorde programme.

The reports, when eventually analysed, are expected to concentrate upon proposed modifications to improve the aircraft's range-payload performance, and to reduce its noise further.

Previous suggestions that any rundown in Concorde production might involve dismantling one of the two assembly lines at Filton or Toulouse have already been dismissed, because of the severe political and industrial difficulties this would cause.

'Abolish GMC' call from medical union

BY PAUL ELLMAN

THE Medical Practitioners' Union yesterday said the General Medical Council was no longer capable of protecting the public, and should be abolished.

It was presenting evidence to the committee inquiring into the regulation of the medical profession.

The MPU, which has 5,000 members and is a section of the Association of Scientific, Technical and Managerial Staffs, also urges an end to the system of doctors being tried for "infamous conduct" by their colleagues.

Dr. Hugh Faulkner, the MPU's medical secretary, described the morality behind the doctors' code of conduct as "Victorian," and said the small number of disciplinary cases could be dealt with by a tribunal.

The GMC is accused of inefficiency in maintaining its register, a task which absorbs more than 10 per cent. of its annual expenditure. A computer could do this better, says the union.

It adds that the number of doctors still on the register who appear to be of advanced age suggests that present arrangements do not protect the patient against doctors whose abilities may be affected by age.

New Powell attack on Home Secretary

By John Bourne, Lobby Editor

MR. ENOCH POWELL last night attacked Mr. Robert Carr, the Home Secretary and other Ministers as "dangerous men" because they were "out of touch with reality as well as with the fears and feelings of the mass of British people about immigration."

He recalled that on Thursday Mr. Carr had told the Commons: "We cannot now limit immigration to the inescapable minimum and then wonder why we are running into trouble with many services, not only buses and trains but hospitals and everything in between, when in the last long period of full employment in this country we met the need by permitting the entry of large quantities of immigrant labour. We cannot have it all ways."

Mr. Powell, speaking to his Wolverhampton South West constituency association, went on: "From anyone but the present Home Secretary that statement could be taken only as a piece of cynical effrontery, a calculated slap in the face to a British public.

"However, Mr. Carr's known character rules out any such plain and reassuring conclusion. One is driven to the only other explanation—that of complete ignorance of the facts.

"Evidently the Home Secretary does not know that the massive Commonwealth immigration of the 18 months before controls were first erected in 1962, so far from curing inflationary labour shortage, actually coincided with the crisis of inflation which brought about the Selwyn Lloyd pay pause and the first abortive Conservative adventure in control of prices and incomes.

"More alarming still, Mr. Carr cannot be aware that inflation continuing at 10 per cent. a year—the minimum rate at which the Government proposes to maintain it—produces a persistent shortage of labour which no conceivable volume of immigration could ever satisfy."

Price and wage controls, piled on top of inflation, ensured that the labour shortages would be most acute in the essential public services, Mr. Powell said.

Shepperton deal cuts land for housing

BY NICHOLAS LESLIE

ONE OUTCOME of the latest agreement between the Board of Lion International and the Federation of Film Unions, which appears to have settled past controversy over Shepperton Film Studios and assured its future, is that the area scheduled for housing development has been reduced by a further five acres to a total of 35 acres.

In addition, the Lion directors have decided they are prepared to carry losses at the studios of up to £100,000 annually, at least for the next few years.

Originally, it was planned to develop for housing some 40 acres of the 60-acre site.

The Board on Thursday agreed to maintain the Old House and surrounding area for the studio for at least five years, as well as rebuilding Stage H in a new location and maintain present manning levels.

The remainder of the agreement is based on Lion's July proposals whereby eight of the 11 film stages, representing over 90 per cent. of stage space, are to be retained, with the firm policy being that Shepperton will continue to operate as a major studio.

Mr. Jeremy Arnold, Lion's managing director, commented yesterday it would have been unlikely that the Old House would have been demolished and the area developed, but the new agreement assured that it was removed from the development area.

He also said the unions—which, he felt, had taken a "positive line" in the situation—had been told the company was prepared to see losses of up to £100,000 a year. "We can live with that for, say, five years," he added.

Talks were also going on with the unions about bringing in related activities to the studio, such as musical recording, more commercial production, video tape work, and promotional films.

"We have a reservoir of talented people, and feel we should deploy that talent against any appropriate opportunity," said Mr. Arnold.

Motor industry team leaves for China

BY PAUL ELLMAN

A 13-MEMBER British motor industry delegation left London yesterday to explore the possibility of increasing trade with China.

Leading the delegation is Mr. Gilbert Hunt, chief executive of Chrysler (U.K.) and president of the Society of Motor Manufacturers and Traders.

China took only £249,000-worth of motor products from Britain in 1972. Mr. Hunt said Peking was probably interested in using British technical knowledge, although the market for cars and lorries was probably not very large just yet.

"There is a tremendous, untapped market in China and it is pleasing to think the Chinese have turned to Europe for extending trade," Mr. Hunt added.

The group includes representatives of British Leyland, GKN Sankey and component manufacturers and their trip comes after a visit by a Chinese delegation to Britain last year.

COUNCIL ENDS RENTS PROTEST

Dunbartonshire County Council has decided to implement the Housing Finance Act, bringing to an end three months of defiance.

The decision to accept the "fair rents" legislation came only 72 hours before a public inquiry was due to be held.

Soccer safety Bill poses new financial threat to clubs

BY MICHAEL THOMPSON-NOEL

FOOTBALL LEAGUE clubs, many of them already struggling against overdrafts and falling attendances, could face even greater economic pressures from a proposed new safety law.

The Safety of Sports Grounds Bill, published yesterday, states that the money for safety improvements must come from the clubs themselves. The proposed law says that sports grounds must qualify for a certificate to be issued by their local authorities.

Yesterday the Football League's management committee said it had asked the Government for a loan of at least £1m. to cover the cost. "Obviously it is going to take a lot of money to make the improvements necessary under the Bill," said an official.

The main terms of the safety certificate will relate to the maximum number of spectators that grounds can accommodate, conditions at entrances and exits, and means of escape in emergency.

Government action on safety for spectators follows the January, 1971, disaster at Glasgow Rangers' Ibrox Park in which 66 spectators were killed and more than 140 injured in a crush on an exit stairway.

The main aim of the Bill is to provide uniform standards for grounds holding more than 10,000 people. The legislation is not confined to soccer grounds. Smaller sports grounds, while not requiring a certificate, will be expected to maintain reasonable standards of safety.

International grounds, English First and Second Division stadiums and Scottish First Division grounds will be the first to have their safety checked. I understand they will have to comply with the new law by the start of the 1974-75 season, which gives them just nine months.

The Bill requires local authorities to consult the local building authority, police chief and fire authority. Councils will be able to impose terms and conditions needed to secure the standards.

Proposed penalties are a fine on summary conviction of not more than £400 and on indictment two years' imprisonment or a fine, or both.

It is known that the League's 92 clubs are collectively losing well in excess of £1m. a year and that the strain of meeting even minimal safety demands could threaten the continued existence of a number of them.

Government moves to protect merchant shipping interests

BY JAMES McDONALD, SHIPPING CORRESPONDENT

THE GOVERNMENT proposes for the first time this century to take powers to combat flag discrimination and other action by foreign governments where U.K. shipping or trade interests are affected or where required to meet Britain's international obligations.

Under the Merchant Shipping (Miscellaneous Provisions) Bill, *published yesterday, orders can* be made to obtain information, to regulate the carriage of goods, to levy charges on ships, to refuse admittance of ships to U.K. ports and to approve or disapprove agreements.

The aim is to provide some protection to U.K. shipping interests and trading interests where they are affected by measures involving shipping, against damaging regulation of shipping by foreign governments designed to promote carriage of cargo in ships of their flag or to influence freight rates in the interests of their exporters.

Some foreign governments — the U.S., the USSR, and several South American governments — already intervene in this way *and the practice seems to be* spreading.

Explaining the purpose of the clause in the Bill, the Department of Trade and Industry says: "Our own policy remains that these are matters best left for the commercial interests concerned, but the negotiating position of our shipowners and the Government, when up against actions of other governments, will be much strengthened by the existence of the powers sought here.

"It is expected that they will rarely be used, but will provide valuable background support for attempts which we or our shipowners might make to dissuade foreign governments from adhering to objectionable practices."

The Bill will also enable the U.K. to ratify the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1971.

The Bill also enables the U.K. to become a party to the International Conventions on Civil Liability for Oil Pollution Damage, 1969.

These two conventions together will provide an interlocking system, in which liability for oil pollution damage caused by an identifiable ship or ships will be shared between shipowners and oil companies.

Liability will rest primarily on the shipowners, but in several cases—such as where the cost of damage exceeds the shipowners liability under the Civil Liability Convention—the Fund will compensate claimants. Claims up to £14m. can be met for a single accident.

Contributions to the fund will be made by those in contracting countries who receive crude oil and heavy fuel oil by sea. The provisions of the Fund Convention as to coming into force ensure that there shall be not less than 750m. tons of "contributing oil."

OVERSEAS NEWS

Nixon 'knew five weeks ago' tapes were missing

WASHINGTON, Nov. 2.

PRESIDENT NIXON knew at least five weeks ago that two of the nine secret Watergate tapes he agreed to surrender last week to the courts were missing, a White House official testified to-day.

Mr. Stephen Bull, a special assistant to Mr. Nixon, testified at a court hearing into the tapes that Mr. Nixon himself told him on September 29 at Camp David, Maryland, that the tapes were missing.

He also told the court "perhaps two or three, perhaps more" other taped Presidential conversations may be missing.

Mr. Bull said he had been directed on September 29 by Gen. Alexander Haig, Nixon's Chief of Staff, to bring several tapes to Camp David.

"Gen. Haig indicated the President wished to begin a review of certain conversations requested by the Senate Committee and by the prosecutors," Mr. Bull said.

He took the tapes and a recording machine to play them at Camp David and set the equipment up for Mr. Nixon. "At the time it appeared that two of the conversations requested were not contained on the tapes that had been provided to me," he said.

"Who told you that?" asked Mr. Douglas Parker, a White House lawyer who had called Mr. Bull to the stand.

"Ultimately, the President," Mr. Bull said.

"Did anyone else tell you that?" Mr. Parker asked. "No sir," Mr. Bull said.

Mr. Bull said the tapes Mr. Nixon told him were missing were those of conversations on June 20, 1972, with former Attorney General Mr. John Mitchell, and on April 15, 1973, with then White House counsel Mr. John Dean.

Mr. Richard Ben-Veniste, a lawyer for the special prosecution force, told U.S. District Judge John Sirica to-day—the third day of hearings on the missing tapes issue—that the White House had not proved the tapes never existed.

The White House has said investigations showed the conversation with Mr. Mitchell took place from an extension telephone outside the recording network in the White House, and that the recording machine ran out of tape during the Dean conversation.

"We believe that a complete inquiry to solicit all the facts . . . is mandated," Mr. Ben-Veniste said.

"The Grand Jury expects and is entitled to this and we believe the American people represented by the Grand Jury are entitled to a complete explanation of this matter."

Presidential spokesman Mr. Gerald Warren said in Key Biscayne that Mr. Nixon dictated a memorandum of his recollections of the meeting with Mr. Dean and that this record was stil lin existence. He said he did not know if a similar record was made of the conversation with Mr. Mitchell.

Mr. Warren said the President's personal memo would be discussed with Judge Sirica by the President's lawyers and "I'm sure ways will be found to turn over that information."

UPI

France reinforces price curbs

BY RUPERT CORNWELL

PARIS, Nov. 2.

IN A new effort to reduce the soaring inflation rate, the French Government to-night sharply tightened existing controls on a wide variety of food prices, and also announced a significant extension of its powers over industrial prices.

At the same time the Bank of France announced new measures to prevent banks getting round stringent rules on reserve requirements; and the Planning Ministry finalised a draft Bill that will bring in a 10 per cent. property tax to head off land speculation.

The prices measures were adopted this afternoon after a meeting of the Government's Price Committee. They follow intensive pressure from every political quarter for more drastic action to cut back an inflation threatening to exceed 10 per cent. a year.

Among the items affected are beef and other meat products, fruit and vegetables (already up 14 per cent. in a year), certain cheeses and bread. Among other products, stricter controls have also been drawn up for shoes.

The decisions respond to the official aim of producing a package that will have real and immediate effect on public opinion, for this reason, instead of the much-rumoured prices and incomes policy and its attendant political difficulties, the authorities have chosen a course that should have a prompt impact on the shopping costs of every French family.

It is likely that the new measures will be reflected in the retail index for November, which ordinarily would have been worsened by the huge increases in oil product prices that have just been decided. This afternoon the Finance Minister, for budgetary reasons, refused to cut state duty on petrol and fuel to lessen the burden for consumers.

However, in addition to food prices, which have risen some 11 per cent. in a year, and 1.3 per cent. in September, the latest recorded month, alone, the Government has also included industrial and service prices in its net.

All sectors which are directly under the Government's control will be even more closely watched than at present, to prevent what the communique called "abusive price" increases.

Meanwhile industrial price controls have been brought back for all those sectors where for export reason they were lifted last April. Moreover, as a result of to-day's decisions, only companies that employ less than 20 men will be exempt from surveillance.

Ford-Honda link planned

BY JAMES ENSOR

FORD HAD made considerable progress towards a general agreement with Honda, Mr. Lee Iacocca, president of Ford, said in Tokyo yesterday.

The company has already taken out a licence for the Honda low pollution CVCC engine, which might be fitted into American-built Ford vehicles from 1975-6 onwards.

Honda has proposed that it should market the smaller American Ford cars, such as the Pinto and Mustang II through its own Japanese dealer network.

Since Honda, which is primarily known for its motorcycles, builds no cars larger than 1,200 c.c. and Ford builds no cars of less than 1,600 c.c. in the U.S., the tie would be a logical one.

Ford will also establish a wholly-owned subsidiary in Japan to import and market its cars.

It is the first U.S. or European motor company to take advantage of the Japanese Government's liberalisation measures which now permit the formation of wholly-owned subsidiaries.

Ford is the second largest importer of cars into Japan—after Volkswagen—but its total sales of U.S., British and German cars last year amounted to under 4,000 units—a pitifully small number in a market of almost 3m. annual sales.

Mr. Iacocca has suggested that the new company, to be registered as Ford Motor, of Japan, would transport, import and distribute cars in Japan. At present, dealers have to do this themselves on an individual basis.

Ford also expects to build up its network of dealers from the present total of 50 to a number more appropriate to the size of the country and its 100m. population.

Japan plans to impose tough anti-pollution measures from 1975 which are likely to lead to the abandonment of the market by some European makes.

Ford, however, which already is forced to develop low pollution systems for its Pintos, Mustang IIs and German-built Capris for the North American market should have little difficulty in matching the Japanese requirements.

If necessary, the Honda CVCC principle could be applied to the cars which Ford ships to Japan.

Mr. Iacocca expects that imports of U.S. and European cars will account for 10 per cent. of the Japanese car market of 4m. cars a year by the end of this decade.

Japan moves to head off growing pressure on yen

BY PETER DUMINY

TOKYO, Nov. 2.

THE YEN dropped to 275 to the dollar from the overnight 270 soon after the Tokyo foreign exchange market opened to-day. After it had been supported at the new level throughout the day, at an estimated cost of more than $200m. to the Bank of Japan, the Ministry of Finance announced a number of measures apparently designed to take pressure off the rate next week.

At the opening it had quickly become clear the central bank had set Y275 as its new intervention point. However, rumours that further devaluation would shortly be permitted helped to swell turnover, which reached an estimated $250m. in the spot market, against $188m. yesterday.

The Finance Ministry to-night scrapped the regulation requiring immediate removal from Japan of 90 per cent. of proceeds of yen-denominated loans raised in the Tokyo market. This does not ensure that next week's Y10,000m. Brazil loan will not be taken out of the country, but at least removes the anomaly of requiring that it must be.

A mainly psychological impact is apparently intended from the decision, announced at the same time, to wind down the special overseas funds which banks have been required to maintain since the summer of last year; these hidden and so-called second line reserves will thus be brought into the front line.

EEC summit date proposed

By Hilary Barnes

COPENHAGEN, Nov. 2.

PRIME MINISTER Anker Joergensen to-day proposed the holding of an EEC summit meeting in Copenhagen on December 15-16. Mr. Joergensen's move comes in response to the call by President Georges Pompidou of France for an EEC summit meeting to discuss the Middle East situation. Denmark currently holds the EEC chairmanships.

The Danish Prime Minister received a letter yesterday from M. Pompidou in which the French President made it clear that the Danes in their capacity *of EEC chairmen could arrange* the meeting.

Mr. Joergensen told a Press conference that "it would be natural" for the heads of Government to discuss the Middle East situation and the oil crisis, but he said that the Danish Government considered that the meeting should also deal with general Community problems and foreign policy co-operation.

Chrysler will sue prices body on denied increase

BY GUY DE JONQUIERES

NEW YORK, Nov. 2.

CHRYSLER CORP. took to the offensive to-day and announced that it will sue the Cost of Living Council because *it denied the* company a wholesale price increase averaging $73 per vehicle last September.

This initiative follows Chrysler's submission of another proposal yesterday to raise its prices by an average of $63 per vehicle to cover the cost of its new labour contract and other higher overheads incurred since August.

At the same time, Ford, which also concluded a three-year labour contract recently, disclosed that it has asked the Cost Council for permission to raise *its prices by an average of $188* to cover costs incurred since the beginning of this year.

Chrysler, which reported a net loss of more than $17m. in the third quarter of this year, regards the two price increase proposals as separate, arguing that the $73 increase is needed to cover higher labour and material costs incurred before the signing of its new labour contract.

Alusuisse in Lonza bid

BY JOHN WICKS

ZURICH, Nov. 2.

STOCK EXCHANGE and chemical industry sources in Switzerland say that Swiss Aluminium (Alusuisse), of Zurich, has concluded take-over negotiations with the Basle chemical company Lonza. Though neither company was prepared to make any comment, a Press conference has been convened by Lonza in Basle for Monday afternoon to hear a "statement," the nature of which has not been divulged.

Alusuisse has a good deal in common with Lonza, particularly in the concentration of electricity-intensive manufacturing facilities in the Rhone valley of Canton Valais. In recent years, too, Alusuisse has been expanding into plastics and chemicals, in which fields Lonza is active. Last year the Alusuisse group (headed by Swiss Aluminium of Zurich) achieved group turnover of Sw.Frs.2,209.5m., while those of the Lonza group totalled Sw.Frs.516m.

UN censures Portuguese

By Our Own Correspondent

UNITED NATIONS, Nov. 2.

THE UN General Assembly, by 93 votes to seven, with 30 abstentions, to-day called on Portugal to halt its "aggression" against the new "republic" set up in Guinea-Bissau and its "illegal occupation" of the territory.

The Security Council was asked to implement the decision. This could mean that an effort may be made soon in the Council to obtain endorsement of an application for UN membership by Portuguese Guinea.

FT/SOTHEBY REVIEW OF THE ART MARKET

Equine fever in the saleroom

THE ENGLISH sporting paintings assembled by Mr. and Mrs. Jack R. Dick in the latter half of the 1960s unquestionably form one of the finest collections of their kind. The fact that this assemblage is now being dispersed in a series of four sales at Sotheby's not only affords new collectors the chance to purchase great works but also gives the public the opportunity to see a collection such as they are unlikely to see again.

Mr. Dick has referred recently to his collection as "the greatest *achievement of my life*": *after* the last painting has been sold, he will have the satisfaction of knowing that he has joined a small and select group of people whose names are inseparably associated with great works of art.

The sporting genre is one which English painters have made peculiarly their own. No other nation has devoted such time to equine sports and to perfecting the standards of bloodstock. In England, horses have always been taken extremely seriously. To an *owner of fine horses, a faithful* portrayal of his favourite hunter or racer was almost as important as a picture of his wife and family. Thus it is that artists such as Stubbs, Marshall, Ferneley and Herring lavished so much attention on every detail of a horse's appearance.

Ben Marshall's "Mameluke"—winner of the 1827 Derby—fetched £40,000. "To an owner of fine horses, a faithful portrayal of his favourite racer was almost as important as a picture of his wife and family."

The first part of the Dick collection contained some of the finest equine paintings ever executed, as well as a good group of pictures, such as those by James Pollard, in which the horse features in a role not necessarily connected with sport. *(Pollard himself is well* known for his delineations of horse-drawn carriages travelling at speed.) Racing and hunting were not the only sports represented. There was a charming small oil by Pollard, *Trolling for Pike on the river Lea, Essex*, a set of game shooting pictures by Ramsay Richard Reinagle and Arthur Devis's group portrait of the Swaine family fishing.

The saleroom audience, both dealers and private collectors, did not need to be told that they were dealing with a group of paintings of real quality, and the result of the sale demonstrated that, in such circumstances, almost no sum appears to be too much to pay.

Mr. Dick, it must be remembered, was one of the keenest collectors of sporting pictures during the Sixties and was never hesitant about paying the extremely large sums necessary to secure the finest examples. The wisdom of his policy was clearly shown by the results of last Wednesday's auction. A high proportion of the 42 lots offered for sale had passed through salerooms in the previous ten years and the comparison of prices makes fascinating reading. The Devis composition of the Swaine Family fishing mentioned above cost £40,000 in 1968 from the Newhouse Galleries, New York—at the time a high price. In the sale this week it fetched £136,000, over four times as much as any painting by this artist had previously realised at auction. Herring's superb composition *Coach Horses awaiting the change on the Great North Road* was purchased in 1967 for the good price of £5,700 (a smaller version was sold for £23,100 at Christie's at the end of the following year) and sold last Wednesday for a record £70,000.

One of the most surprising prices in the sale was the £47,000 given for Ben Marshall's *Mr. Wastall with his Jockey Frank Buckle*; this was more than double the saleroom's top estimate. Mr. Dick purchased this picture in 1968 for £8,000 from Ackermann's, London, the same year in which its companion realised £12,000 in a sale held by Sotheby's at Gleneagles Hotel in Scotland. The last lot in Wednesday's sale, a typical composition by James Ward entitled *The White Sand Pony*, fetched the very good price of £11,500, having been purchased by Mr. Dick in 1965 for £2,000 from the Richard Green Gallery. Of the 42 lots in the sale we know the purchase prices of exactly half realised in the four years 1964-1968: a total of £239,350. These were sold this week, just five years after the most recent purchases, for £815,900.

The largest profits were made on pictures purchased between 1965 and 1967. 1968 marked the real beginnings of the sporting picture "boom" and it is noticeable that the only picture on which Mr. Dick made a loss, *Count Bathyany's Hunters*, was in fact purchased in the latter year. What is most remarkable about these prices, however, is that they contradict one of the most consistent rules of the art market, which is that the more expensive the purchase, the longer the time required to hold it.

Another point is that just as the collecting by Mr. Paul Mellon and Mr. Dick himself in the 1960s marked a new era in the market for sporting paintings, so the sale of Mr. Dick's collection has thrown up a totally new structure in prices.

The £136,000 for a Devis, £62,000 and £70,000 for Herring, £54,000 for a single painting and £85,000 for a set of four by Pollard and £18,000 for another set of four by Reinagle, leave all previous prices for work by these artists a long way behind. Auction records were also broken for the work of Alken, Barenger, Davis, Ferneley and, of course, Stubbs, whose *Goldfinder*, at £225,000 fetched £5,000 more than *A Cheetah with two Indians* sold at Sotheby's three years ago, to become the second most expensive English painting ever sold at auction.

THE MIDDLE EAST

Mounting Israeli fears of 'sell-out'

By L. Daniel

TEL AVIV, Nov. 2.

MOUNTING CONCERN is felt here among all sections of the population as to the intentions of the Nixon Administration, the nature of the pressures being brought to bear on Israel and the plans for a "settlement" which the U.S. has in mind.

Talk of "being sold down the river" can be overheard on any street corner and these fears have by no means been allayed, but rather strengthened, by Mrs. Meir's and Dr. Kissinger's utterances in Washington.

The prominent Hebrew evening paper Yediot Ahronot to-day questions the wisdom of the Israeli Government's acceptance of the paragraph which envisages a solution to the problems of the area in terms of Security Council Resolution 242 in its entirety—a resolution passed after the 1967, and not after the 1973 war.

The paper calls the resolution "anachronistic" and asserts that Israel could renege on it since the recent steps by Syria, Egypt and the USSR also represent a reneging of the ceasefire agreement, as a result of such actions as *failure to submit lists* of prisoners unconditionally, refusal to enter talks immediately (as laid down in the ceasefire agreement) and the continuing blockade of the straits of Bab-el-Mandeb.

Meanwhile, if Egypt should decide to resume hostilities, it will find the Israeli army in a starting position which does not give the Egyptian troops a chance, it was stated to-day by *General Chaim Bar Lev in an* interview with the widely-read evening paper "Ma'ariv." If the Egyptian armies reorganise and are reinforced, Israel will not waste time either, he added.

If Egypt should re-open fire, the Israeli forces would be in a starting position enabling them to strike "at Egypt's soft underbelly."

Kissinger renews talks

By Paul Lewis, U.S. Editor

WASHINGTON, Nov. 2.

THE NIXON Administration to-day threw a blanket of secrecy over his attempts to reinforce the fragile Middle Eastern cease-fire, amid fresh talk of war in the area.

This morning the State Department spokesman said that Dr. Kissinger would meet again this evening with the Israeli Prime Minister, Mrs. Meir, and also with the acting Egyptian Foreign Minister, Mr. Ismael Fahmy, as well as the Syrian Deputy Foreign Minister, Mr. Mohammed Zakaraya, who is arriving here to-day.

Schlesinger's Bonn visit off

By Jonathan Carr

BONN, Nov. 2.

U.S. Defence Secretary, James Schlesinger—a critic of Bonn's attitude over arms for Israel—has indefinitely postponed a visit here next week. A Ministry spokesman to-day said Washington did not feel it wise to have both Mr. Schlesinger and Dr. Kissinger out of the U.S. at the same time.

It is understood, however, that Mr. Schlesinger will attend a NATO Nuclear Planning Group meeting in The Hague on November 6 and 7.

Sadat, Assad agree on 'contingency' plans

BY WILLIAM DULLFORCE

CAIRO, Nov. 2.

PRESIDENTS Sadat of Egypt and Assad of Syria agreed at their Kuwait meeting yesterday on the military and political steps they would take if Israel continues to resist U.S. pressure *to withdraw* its force on the Suez Canal's west bank to the October 22 ceasefire line, informed sources said here this morning.

The implication is that, if Egypt should decide to resume fighting in order to push the Israeli force off its Third Army supply lines, the Syrians would also re-open hostilities on their front.

Cairo Radio, in the first official acknowledgment that the talks *had taken place, said this after*noon that President Anwar had returned to Cairo to-day from his flying visit to both Kuwait and Saudi Arabia.

The sources stressed that President's Sadat and Assad were planning for a contingency and that no decision had been taken to break the ceasefire for the time being.

Much depended on the outcome of Israeli Premier Golda Meir's talks in Washington, where Egyptian sources believe, she is being strongly urged to withdraw the Israeli West Bank tank force within the perimeter the Israelis hold between Lake Timsah and the northern end of the Great Bitter Lake.

So far Egyptian reaction has been non-committal about Mrs. Meir's news conference after her meeting yesterday with President Nixon. The general feeling here is that she said nothing to imply that Israel would not eventually agree to withdraw to the first ceasefire line, that of October 22.

However, Egypt's most authoritative commentator, Mohamed Hassanein Heikal, wrote in his column to-day that a return to the battlefield was more probable than a move to a peace conference.

The Israelis, Heikal says, are "toying with the temptation of breaking loose from the restrictions placed on them" by the U.S.

Coalition

He forecasts that under internal pressures, the Israeli military establishment would join with the extreme rightist Gahal group and force a coalition on the Government, which would then have to postpone the general election "in order to set things right on the battlefield."

Heikal tells Egyptians not to deceive themselves about the course the war took after the first ten days. The Israeli military and political leadership at that point had "regained its balance . . . began to act with reason, and its battlefield plans began to be implemented efficiently."

However, "nobody can undo the defeat of Israeli strategy *during the first days of the war*, the shock of the Arab decision to fight, the surprise of history and Israeli losses, both tangible and intangible."

It is being assumed here that President Sadat also discussed Arab oil strategy with the ruler while in Kuwait and would be doing so with King Feisal. No information has yet filtered back to Cairo, but officials were saying earlier in the week that the Arab oil producers' front was solid and they expected other countries to follow Saudi Arabia's further 5 per cent. cut in production.

Meanwhile, for the first time since the ceasefire, an Egyptian commentator to-day returned to the issue of using Arab currency reserves as a political weapon. Writing in Al Ahram's fortnightly economic magazine, Farid Gwaida suggests that the Arab states could convert their dollar holdings into other international currencies; use their dollar deposits to buy gold; demand payment in gold or other strong currencies instead of U.S. dollars for their oil; ban the dollar as a currency for Arab transactions with the rest of the world.

Arabs doubt truce can last

BY IHSAN HIJAZI

BEIRUT, Nov. 1.

AFTER ONLY 10 days of Middle East ceasefire, the scales may be tipping in favour of resumption of fighting. News analysts and commentators in the Arab world have expressed serious concern that the disagreement on the truce lines as they stood on October 22 could lead back to the shooting war.

The six-hour conference between Presidents Sadat and Assad in Kuwait was also attended by the Egyptian War Minister, Lt.-Gen. Ahmed Ismail, and Syrian Defence Minister, Maj.-Gen. Mustafa Tlas. The Emir of Kuwait was also accompanied by his Defence and Interior Minister, Sheikh Saad al Abdullah.

Informed sources believe President Assad, who flew to Baghdad after the talks, may be trying again to persuade Iraq's leaders not to withdraw all their forces from the Syrian front, because of the rising possibility of the ceasefire not lasting much longer.

Iraq since early this week has begun to pull its forces out of Syria in protest against the ceasefire.

Reports from Damascus in the Press here to-day said the Syrian armed forces stand ready to go back to the battlefield to-morrow.

Arms replaced

Mr. Assem Kansouh, leader of the Lebanese Baath Party faction which is close to the Syrian regime, declared in a statement published to-day that the Soviet Union has now replaced all the material losses Syria had suffered in the fighting with the Israelis. He emphasised that "the fifth round of fighting with Israel is inevitable."

Top attention was given by observers here to reports and commentaries from Cairo about how fragile the ceasefire has grown after Israel's rejection of President Sadat's demand for a return to the positions which Cairo believes the Israelis held when the ceasefire was declared on October 22.

Observers here are even wondering if the ceasefire will break down before Dr. Henry Kissinger, U.S. Secretary of State, begins his projected tour of Middle East countries. The tour is due to begin on November 5, during which he will go to Rabat, Cairo, Amman and Riyadh, while his assistant, Mr. Joseph Sisco, will visit Kuwait, Beirut and Tel Aviv.

Informed diplomatic sources here believe President Sadat expects Dr. Kissinger to bring with him clear-cut ideas about the stabilisation of the ceasefire, and about the proposed peace conference on a Middle East settlement.

Amman Cabinet shuffle likely

BY ROBERT GRAHAM

AMMAN, Nov. 2.

A MAJOR SHUFFLE of the Jordan Cabinet, to give it a more political flavour in expectations of negotiations for a Mid-east peace settlement, is expected shortly according to numerous reports circulating here.

King Hussein is understood to be considering introduction of a number of prominent West Bank politicians combined with the recall of veteran Ministers who enjoy the respect of other Arab governments.

Main task of the new Cabinet would be to establish confidence in any plan evolved for the future of the West Bank. This would entail close co-ordination both with the West Bank population and the Palestinian resistance movement, as well as other Arab governments. It is believed that the consultations which have been taking place in Amman with West Bank politicians over the past few days, plus the arrival of some representatives from the West Bank, is bound up with these considerations.

Among the names being mentioned as possible candidates for the Premiership are three Palestinians: Mr. Rouhi Khatib, the Mayor of Jerusalem deported by the Israelis in 1967; Mr. Anwar Khatib, the Govenor of Jerusalem, and Mr. Anwar Nusseibeh, a former Defence Minister who still lives in Jerusalem. Another name being suggested is the veteran politician Mr. Bahjat Talhouni, respected at the Arab level.

Assassination bid

It is to be remembered that the current Prime Minister, Mr. Zaid Rifai, was the subject of an assassination attempt while Ambassador in London and is disliked by the more extreme elements in the Palestinian resistance movement.

All this activity is going on in a very restrained atmosphere. The initial disappointment at the ceasefire has given way now to hopes of a settlement. It is understood that some of the Jordanian forces in Syria have been withdrawn.

Originally, the crack Fortieth Armoured Brigade was sent, plus some artillery support, then this was reinforced by another brigade.

One estimate is that there are now a maximum of 8,000 Jordanian troops on the Golan Front. They are under Syrian command and all problems with the Syrians are said to have been sorted out.

A sizeable proportion of Jordanian casualties are reliably understood to have been the result of strafing by Syrian MiGs which mistook Jordanian Centurion tanks for Israeli centurions.

Messmer warning on oil

French Prime Minister Messmer said to-day that the country's oil supplies are in no danger for the moment as a result of the Middle East conflict, but he urged consumers to limit energy use where possible.

Speaking at the opening of Creusot-Loire's new plant to manufacture nuclear reactor vessels at Montceau-les-Mines in Burgundy, he emphasised France's commitment to nuclear power had been strengthened by current oil problems.

His speech reflected the delicate balancing act the Government is attempting between keeping its privileged supply lines open with the Arab producers, and at the same time maintaining European unity.

Oil stocks are at present equivalent to three months consumption he said. The country was moreover safe from any short-term disruption of supplies, following the Arab decision to keep deliveries to France at a normal level.

However, medium and long-term prospects were "very worrying." Both demand for oil and its price were climbing very fast, and if Frenchmen did not voluntarily keep down their consumption then they would face the same restrictions as had been already applied elsewhere in Europe.

STEAM PLANTS SOLD TO NICARAGUA AND JORDAN FROM ITALY

Two important suppliers of thermoelectric plants abroad have recently been acquired, in an international bid, by a group of Italian firms. Those participating were Tecnomasio Italiano Brown Boveri, Società del Gruppo Brown Boveri, Breda Termomeccanica and other prominent companies who, despite heavy competition from Japanese, American and other European constructors, succeeded in winning this important deal.

The steam plants in question are those of Puerto Somoza, in Nicaragua, where a turnkey deal has been made, and Zerqa in Jordan.

The supply of equipment and electric components has been *assigned to Tecnomasio Italiano* Brown Boveri; in particular, for the Nicaragua plant, two groups with alternators and transformers each of 60,000 KVA plus the necessary apparatus and, for the Jordan plant, two groups with alternators of 40,000 KVA plus all the electrical apparatus.

HESS · BY C. H. O'D. ALEXANDER

Second-best candidate?

FORE GOING on to the main ject of this article, No. 15 out. Of what? Informator of urse. You can get it from ess, Sutton Coldfield or from .M., 9, Market Street, St. onards-on-Sea, Sussex and hough the price is up again it still very well worth having you are interested (a) in arly 700 annotated games from e first half of 1973, (b) cross-bles of all the main tourna-ents, (c) F.I.D.E. news and (d) large number of positions to lve. Send £3.50 and you will obably get a few pence ange; I put it like this as the ice seems to have changed ghtly since it was advertised.

One of the features of formator is that in each num-r you are given the rating by panel of seven senior grand-asters of the ten best games in e previous number. The game at got most votes for No. 14 as Portisch's win again Larsen San Antonio—yet another nfirmation of how well ortisch is playing.

At the moment I would rate m second to Karpov among e Candidates. I don't think he ll beat Karpov and rather pe that he doesn't win the ent as I think that he would ve little chance against scher; for that match one eds a player less likely to be erawed and Portisch's score 4 losses and 5 draws in 9 mes is hardly encouraging. eanwhile here is the Larsen me to show how well the ungarian Grandmaster is play-g now.

White Portisch; Black Larsen. pening Benoni Defence (San ntonio).

1 P-Q4	P-K3
2 P-QB4	P-QB4
3 P-Q5	PxP
4 PxP	P-Q3
5 Kt-QB3	P-KKt3
6 Kt-B3	B-Kt2
7 B-B4	

Not the most popular line ainst the Benoni, but a good e and a favourite of Portisch's. e most usual line is to delay velopment of the QB and to ay P-K4, B-K2, 0-0, Kt-Q2-B4 itting pressure on the weak QP a different way. It is a matter taste which you play.

7	Kt-KB3
8 Q-R4ch	B-Q2

8...Q-Q2?; 9 QxQch, KxQ; P-K4 is clearly favourable for hite.

9 Q-Kt3	Q-B2
10 P-K4	0-0
11 B-K2	Kt-R4

Here Fischer against Portisch Palma, 1970) played 11 ... QR3 and after 12 P-K5!, PxP; BxP, Q-B1 was lucky to escape om a lost position with a draw. artston recommends 11 ... QKt4! as the best way to ualise. Black wins the KP in turn for his QKtP.

12 B-K3	Kt-R3
13 Kt-Q2	P-B4!?

Larsen's interesting idea, hich should be good enough r equality.

14 PxP	PxP
15 BxKt	P-B5
16 0-0	PxB
17 PxP	Kt-Kt5?

An error in timing as White demonstrates. He should play B-B4 first to be able to deal with the threatened attack on his QP. This is probably the losing move.

18 Kt (3)-K4	P-QR4

Now if 18 ... B-B4; 19 QR-B1 with the double threat of QxKt and KtxBP followed by P-Q5ch.

19 Kt-Kt5!	P-R5
20 Q-B4	P-R3
21 Kt-K6	BxKt
22 PxB	P-Q4
23 B-B7ch	K-R1
24 Q-R4	Q-K4
25 Kt-B3!	QxPch
26 K-R1	Kt-Q6
27 QR-K1	KtxR
28 RxKt	Q-Q6
29 Q-R5	P-R6

Larsen never dies quietly, but there is no antidote to the threat of P-K7.

30 P-QKt3	B-B6
31 P-K7	K-Kt2

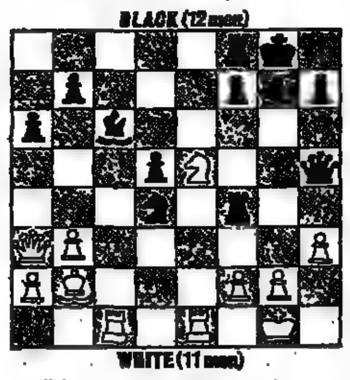
31 ... BxR?; 32 QxPch, Q-R2; 33 PxR=Qch etc. All this part of the game is pretty, but easy.

32 PxR=Qch	RxQ
33 BxP	BxR
34 Q-K5ch	R-B3
35 Q-K7ch	Resigns.

He loses the rook with check.

POSITION NO. 44

BLACK (12 men)

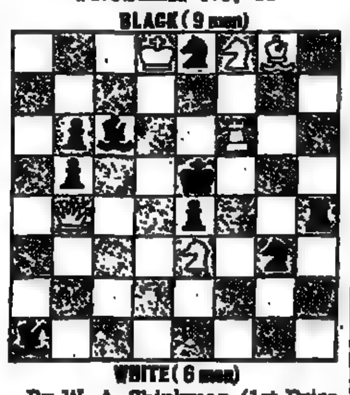


WHITE (11 men)

White, to play, using a standard mating idea, wins. How?

PROBLEM NO. 44

BLACK (9 men)



WHITE (6 men)

By W. A. Shinkman (1st Prize, Detroit, 1876). Shinkman, for me, shares first place among the old composers for the pleasure his problems give, Loyd being his only rival (though many composers, for example some of the German problemists, composed more difficult problems).

White to play and mate in two moves.

Solutions on Page 4

SPASSKY WINS

The USSR Championship has been won by Spassky by 11½ out of 17, a welcome return to form.

Faulkner calls to Unionists: Support power-sharing

BY RHYS DAVID BELFAST, Nov. 2.

A STRONG appeal to Unionists to support the concept of power-sharing was made by Mr. Brian Faulkner, the party leader, in a speech here to-night.

Speaking in the Rev. Ian Paisley's constituency, North Antrim, where a by-election is pending, Mr. Faulkner warned that the constitutional future of the Province would be thrown into the melting-pot again if the talks on forming an executive break down.

'Political pawn'

Mr. Faulkner, who faces a crucial vote on power-sharing at a meeting of the Ulster Unionist Council due to be held soon, said that this would mean that the provisions of the Constitution Act safeguarding the Province's position in the U.K. would come under consideration again. Northern Ireland would also become a political pawn in the run-up to a British General Election.

He stressed that integration as now sought by the Loyalist group in the Assembly had been turned down by the Labour and Liberal parties and by very many Conservatives.

The alternative put forward by the Loyalists—some form of political independence — would produce social, economic and political stagnation.

Mr. Faulkner also made it clear that he believes that the Social Democratic and Labour Party fully accepts the Constitution Act —thus meeting one of the conditions laid down by the Unionists for taking part in an executive with the SDLP.

The Loyalists, who have been refused a meeting with Mr. William Whitelaw, the Northern Ireland Secretary, to discuss issues being raised in the executive talks, are to send the two Westminster MPs in their ranks, Mr. James Kilfedder and the Rev. Ian Paisley, to see the Prime Minister on Tuesday.

They have been demanding talks with Mr. Whitelaw on policing, detention and the Council of Ireland, but they have been told that general discussions on these subjects are being held only with those parties ready to take part in an executive. Mr. Whitelaw has offered to see them on specific issues they may wish to raise.

The growing Protestant violence, particularly in Belfast, is now causing concern to the security authorities who fear it could provoke a reaction from the Provisional IRA.

A 28-year-old Roman Catholic, who was shot on his way home from work in a Protestant area on Thursday night, appears to have died because of his religion, like many victims of Protestant assassination gangs.

He was the 199th assassination victim in Northern Ireland *since the troubles began, and* two-thirds of those who have died have been Roman Catholics. The dead man had been working in the Shankill Road area for four years, and had no known political affiliations.

Attack on bar

A bomb attack on a bar in the city centre that evening also appears to have been an attempt to kill Roman Catholics. One man who was passing at the time died in the explosion.

There is likely to be renewed pressure on the authorities to drop plans to scale down the army presence in Protestant East Belfast from the end of this month and to take immediate measures to outlaw militant Protestant organisations, including the Ulster Defence Association.

Shell International in Poland deal

BY RAY DAFTER

SHELL INTERNATIONAL Petroleum has signed an agreement with Polish organisations covering commercial and technical co-operation on chemical and related products.

One of the first effects of this agreement is likely to be the licensing of the production of Shell's insecticide Birlane, at a factory due to come on stream in Poland in 1977. Negotiations are said to be continuing.

Shell hopes that further agreements will cover other products in its range of industrial chemicals, plastics and resins.

Birlane is at present being supplied in substantial quantities to Poland under a five-year contract. This follows a decision by Polish agricultural interests to use the compound as one of the main insecticides in a campaign to control the Colorado beetle.

It was also announced yesterday that Amoco Chemicals has acquired from Chem Systems of New York full rights to certain patents and technical back-up on the production of maleic anhydride from n-butane feedstock.

Chem Systems International said in London that the possible purchase of these rights was contained in a joint research and development agreement.

The U.S. production of maleic anhydride now exceeds 100,000 tons a year. Amoco recently announced its intention to build a 27,000 tons-a-year plant in Illinois.

Calgary and Edmonton application stood over

MR. JUSTICE Megarry in the High Court yesterday stood over until Tuesday an application to restrain the liquidator of Calgary and Edmonton Land Company from disposing of property belonging to the company.

Mr. Muir Hunter, QC, for the applicant, Mr. Joseph Harold Dobinson, a Calgary shareholder, asking for an adjournment, said a takeover offer had been made by Bank and Commercial Holdings.

This included provision for Calgary's creditors in full and would, he added, probably lead to the issues, which had led to high feelings being generated, being rendered irrelevant.

By Tuesday, Bank and Commercial Holdings hoped to have acquired to 64 per cent. shareholding of Mr. and Mrs. Hillman in Calgary and, with other acceptances, to hold a 75 per cent. interest in the company.

Mr. N. Browne-Wilkinson, QC, for the liquidator, said unfounded allegations were being made.

If Bank and Commercial Holdings' takeover were completed, the liquidator would have to be satisfied that Calgary's creditors would be paid in full. His present intention was not to exchange contracts for the sale of any land until after November 5.

Mr. Muir Hunter said he was content to accept the statement of the liquidator's intentions. No doubt a scheme could be devised which would satisfy the liquidator, he added.

The judge stood over Mr. Dobinson's application without continuing the *ex parte* order, originally made last week, to stop him disposing of property at Castleford, Yorks.

Cost of jerry-building

BY OUR OWN CORRESPONDENT

MILLIONS OF pounds are wasted annually through building repairs being entrusted to inexperienced companies, Mr. William Paton, president of the National Federation of Building Trades Employees said in Scarborough yesterday.

Property owners who called in such firms sooner or later were forced to face the extra expense of turning to a reliable company.

Mr. Paton advised owners never to part with money in advance for materials and equipment.

APPOINTMENTS

British Leyland divisional Board changes

Mr. Mike Phillips has been ade staff director, finance, and , Alan Edis becomes staff rector, product planning and ning, of the Austin Morris vision of BRITISH LEYLAND. . Phillips held the post of ancial analysis manager of the ustin Morris group and Mr. lis was formerly product plan-ng manager of Rover Triumph. Mr. J. A. Gilroy has been pointed finance staff director the power and transmissions vision of British Leyland. He ined the Corporation in May 72 as financial controller of the ngbridge, Birmingham, plant the former Austin Morris oup.

Mr. C. J. Daniel has been made ance staff director for the dy and assembly division. He ned British Leyland in 1970 project planning manager of Austin Morris Group.

★

EMI has appointed Dr. John A. well as deputy managing ector and Mr. Leonard G. ood as assistant managing ector, responsible for the oup's international music erests.

Dr. Powell has been a director EMI since 1971 and Mr. Wood s been a director since 1965.

★

Mr. Alex Carson has been pointed a director of THE ANNON.

★

Mr. Colin Tennant has resigned m the Board of LONDON TIN RPORATION due to increasing nmitments overseas resulting more frequent absences abroad.

★

Mr. Antony Barnes has been pointed a director of DRAYTON OUP.

★

Mr. J. H. Llewellyn-Jones has en appointed managing director A. J. MACPHERSON AND CO.

★

Mr. Paul M. Allen, Mr. rdon S. K. Huntly and Mr. n W. Matthews have been pointed assistant directors of UNTY BANK. Mr. Allen and Matthews will continue to e responsibilities in the corate advisory division, and Mr. ntly in the finance division. Brian A. Carte has been pointed banking manager, and Tony T. H. Power, chief ler.

★

Mr. R. Smith has been ointed marketing director of H. DEAN AND SON, gas divi- of Burco Dean.

★

Mr. M. F. Baird has been ointed to the Board of LAVY NCOX AND CARTER (RE-URANCE) from December 1, consequence of which, and n the same date, he will resign marine and aviation under-writer of The Reinsurance Corporation.

★

Mr. Jack, Hemmings, managing director of HEMMINGS, has retired after more than 42 years in the steel industry.

★

Sir Richard Powell, who was Permanent Secretary Board of Trade 1960-68, has been appointed a non-executive director of BPB INDUSTRIES.

★

BARCLAYS BANK INTERNATIONAL has formed a local Board in Botswana. The following directors have been appointed: Mr. R. Whyte (chairman), Mr. F. R. Dolling, Mr. S. T. Khama, Mr. R. H. Page, Mr. J. J. Tabape, and Mr. R. Young.

Mr. Young also becomes a local director for Botswana, Lesotho and Swaziland.

★

Mr. Kenneth D. Kelbrick has been appointed managing director of LTD BUILDING PRODUCTS, a division of Lancashire Tar Distillers. Other appointments to the Board are Mr. Harry Ratcliffe, works director and Mr. Mike Vidler, technical director.

★

Mr. Arthur O. Radke has been appointed managing director of UOP BOSTROM (U.K.).

★

Mr. John Nichols has been appointed a non-executive director of SANGERS.

★

The ELECTRONIC ENGINEERING ASSOCIATION has appointed Mr. M. S. Ollivant as director of the *Association* from *January* 1, in succession to Captain R. A. Villiers who will be retiring at the end of the year. Mr. Ollivant has been assistant director of the Association for the past two years.

★

Mr. Edward A. Drew, for 18 years chief engineer of the Middle Lee Regional Drainage Board, has been appointed chief executive, director and secretary of ASSOCIATED ENGINEERING CONSULTANTS.

★

Mr. Keith Mercer has joined the Board of the MARSDEN HALL MANUFACTURING COMPANY as sales director.

★

Mr. M. Q. Walters has relinquished his directorship of the VICTORY INSURANCE COMPANY and its subsidiary, Treaty Reinsurances owing to the pressure of his other business commitments.

★

Mr. K. A. C. Thorogood, chairman of Tozer Kemsley and Millbourn (Holdings), has been appointed a director of the "Royal," the "Liverpool & London & Globe" and the "London & Lancashire" Insurance Comp...

CINEMAS—(Cont.)

EMPIRE TWO, Leic. Sq. Sam Peckinpah's PAT GARRETT AND BILLY THE KID (X). Programmes 2.0, 4.15, 6.30, 8.45. Late show tonight 11.15 p.m.

LEICESTER SQUARE THEATRE. (930 5252.) George C. Scott, Faye Dunaway OKLAHOMA CRUDE (AA). 1.20, 3.50, 6.20, 9.00. Sun. 3.50, 6.20, 9.00. Late Show Sat. 11.15.

METROPOLE, Victoria. 834 5673. Roger Moore as James Bond LIVE AND LET DIE (A). Cont. Progs. Wk. and Sun. 2.30, 5.20, 8.10. Feature 3.00, 5.50, 8.40.

ODEON, Haymarket. (930 2738-2771.) Oliver Reed, John McEnery, Claudia Cardinale. FURY (AA). Cont. Progs. 2.35, 5.30, 8.10. Sun. 3.25, 5.30, 8.10. Feature Wk. and Sun. 3.30, 6.05, 8.45. Late Show Sat. 11.30 p.m.

ODEON, Leicester Square. (930 6111.) Julie Christie, Donald Sutherland DON'T LOOK NOW (X). Cont. Progs. 1.20, 3.20, 5.50, 8.25. Feature 1.25, 3.55, 6.30, 9.05. Sun. 3.20, 5.50, 8.25. Feature 3.55, 6.30, 9.0. Late Show Fri. and Sat. 11.15.

ODEON, Marble Arch. (723 2011-2.) Burt Reynolds WHITE LIGHTNING (X). James Coburn HARRY IN YOUR POCKET (AA). Sep. Progs. 2.15, 7.00. Sun. 7.00. White Lightning at 4.10, 8.55. Sun. 8.55. Late Show Sat. White Lightning only 11.45. All seats Bookable.

ODEON, St. Martin's Lane. (836 0691/1811) George Segal, Glenda Jackson A TOUCH OF CLASS (AA). Cont. Progs. 2.00, 3.55, 6.15, 8.30. Feature 2.10, 4.25, 6.40, 9.00. Sun. 3.55, 6.15, 8.30. Feature 4.25, 6.40, 9.00. Late Show Sat. 11.35.

PARAMOUNT Lower Regent St. 839 6494 THE DAY OF THE JACKAL (A). Progs. ... Late Show Sat 11.15 ... bookable.

PRINCE CHARLES, Leic. Sq. 437 8181. LAST TANGO IN PARIS (X). Sep. Perfs. dly (inc. Sun.) 2.45, 6.15, 9.00. Late show Fri. & Sat. 11.45. Box Office OPEN DAILY. All seats Bookable.

RIALTO, 437 3488. VAULT OF HORROR (X). Progs. 1.20, 3.30, 5.50, 8.15. Late Saturday Show 11.15 p.m.

SCENE 4. SWISS CENTRE. Leic. Sq. 439 4470. THE CANTERBURY TALES (X). Sep. perfs. dly. (inc Sun.) 12.30, 3.00, 6.15, 9.10, 12.00. Bookable.

STUDIO ONE. Oxford Circus. 437 3300. Laurence Olivier, Michael Caine SLEUTH (AA). Progs. (inc. Suns.) 1.55, 4.45, 7.40.

STUDIO TWO. Oxford Circus. 437 3300. THE HIRELING (A). Progs. 1.10, 3.25, 5.50, 8.10.

UNIVERSAL, Lower Regent St. 930 8944. JESUS CHRIST SUPERSTAR (A). Progs. Weekdays 2.00, 4.15, 6.30, 8.45. Late Show Sat. 11.15 p.m. Sep. perfs. All Seats bookable.

WARNER RENDEZVOUS, Leics. Sq. 439 0791. CLEOPATRA JONES (X). Progs. 2.10, 4.15, 6.20, 8.30. Late Fri. and Sat. 11 p.m.

WARNER WEST END, Leic. Sq. 439 0791. THE WILD BUNCH (X). 70mm. Progs. 2.15, 5.05, 8.00. Late Fri. and Sat. 11 p.m.

ART GALLERIES

MALL ART GALLERIES, Mall, S.W.1. Royal Institute of Oil Painters Annual Exhibition. Daily 10-5. Sat. 10-1. Until Tuesday 20p.

MARINE ARTISTS. Royal Society's Annual Exhibition, Guildhall, E.C.2. 10-5, Mon.-Sat. Until Wednesday. Free.

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SATURDAY NOVEMBER 3 1973

Too close for comfort

IN A WEEK calling for cool nerve, the Government has displayed this quality almost to a fault: and it may justly feel some reward for its past and present steadiness in the impressive display of business confidence revealed in the latest CBI survey—and also in financial markets which have ridden out a series of crises with far less disturbance than prospectively seemed likely. The economy, like a nervous horse, responds well to calm control.

This tribute must be paid the more readily by those who criticise, as we do, some of the Government's actions—or more often its refusal to be pushed into action. It is clearly worth paying some price and even running some risks to preserve and inspire steadiness. This does not mean, however, that the cost cannot be questioned, or the risks assessed. The Government's style was displayed this week both in its strategic and its tactical decisions. The new programme laid down in the Queen's Speech concentrates on economy and long-term objectives; it stresses reforms which are worthwhile in themselves but have little relevance to our more pressing problems. Stage Three of the anti-inflation policy sticks to the main lines already established, preferring continuity to the more radical changes many critics would have liked in the interests of rewarding efficiency.

The dangers

This programme seems to have pleased industry, and will probably do so the more if the announcements of the near future show that the Government has tackled its public commitment to restrain public expenditure with real determination; but the Government's displays of tactical imperturbability have been rather less happy. The refusal to impose at least a precautionary restraint on oil consumption, like the pretence that nothing has gone seriously amiss in our relations with the U.S., seem to come dangerously near a reluctance to admit the existence of uncomfortable facts. The dangers implicit in the present state of Middle East politics and Washington politics are so obvious that it would hardly be alarming to respond a little more actively to the situation.

The oil situation neatly illustrates both some of the virtues and faults of the Government's style. Present reports suggest that the Government's policies have for the moment secured us a favourable position in oil supply — though at a cost in European understanding with the U.S. which may prove heavy. The pursuit of business-as-usual has no doubt proved more popular at home than would emergency taxes or rationing, and has avoided intensifying a crisis atmosphere at a time of difficult confrontation with the miners. But it is a high-risk policy: the less that supplies are conserved now, the less the safety margin against the all too possible emergencies to come. Sang-froid can be pushed to the point where it is itself alarming.

Overheating

The Government's economic management can be criticised in rather similar terms. The evidence of a good deal more than local overheating in the economy becomes clearer with every week that passes: the CBI's reports of labour and supply constraints on output are telling the same story as the rising militancy in the public services. With every passing month of high pressure on labour markets and the balance of payments, while the Government leaves fiscal drag and spending restraint to do their slow work, the safety margin of shop-floor acquiescence in present policies, and foreign confidence in them, becomes narrower. The dangers are a level of labour turbulence which would forfeit attainable growth, or a sterling crisis severe enough to impose yet another effective devaluation, or a drastic change of policy. They are not yet pressing, but they are too close for comfort.

The coming weeks are likely to impose new tests of nerve, both at home and abroad, as the attempts to reach a Middle East settlement enter their tensest phase, while Mr. Nixon's domestic troubles reach their crisis; the oil question also threatens to divide the "haves" in the EEC from the "have-nots," and the summit meeting proposed by M. Pompidou will not be an easy encounter. In such times, Mr. Heath's calm style is vastly to be preferred to an atmosphere of feverish drama; but it would be still more reassuring if coupled with a readiness to ease unnecessary strains and take some precautions.

Madame Tussaud's: a developer eyes the waxworks

By PETER RIDDELL, Property Correspondent

MADAME TUSSAUD'S is in the unusual position of being both a quoted public company and a national institution known to millions, firmly entrenched in the top ten London tourist attractions alongside the Tower of London. So the news that a property company—Mr. Neville Conrad's Regional Properties—has built up a 12 per cent. shareholding evokes a slightly different response to the normal City deal.

There is apparently no threat to the operation of the waxworks itself. But the questions raised have a far wider significance than simply the fortunes of Madame Tussaud's and its shareholders. In particular, the situation typifies the predicament in which ordinary trading companies have now been placed by the steep rise in central London property values.

This is not a matter of false sentiment getting in the way of increased efficiency, but rather a question of whether the property development possibilities of any situation have too great an influence on the operations and independence of trading companies. In the case of Madame Tussaud's, no one disputes its successful trading record. Indeed Mr. Conrad himself has paid tribute to the quality of the management, which is very far from being the sleepy and sluggish type which provides the opportunity for so many bids. Profits have increased steadily without a break over the past decade, and between 1969 and 1972 roughly doubled to £690,000 before tax.

Flow of visitors

These results have not been achieved without a series of changes in recent years, and Madame Tussaud's to-day would appear radically different to anyone who previously visited it before the mid-1960s. The old Madame Tussaud's was characterised by a rather stiff and formal layout of standing figures separated off behind ropes, while long crocodiles of people moved past them in rather uncomfortable surroundings. The company now freely admits that in the past the display presented rather a child's story book view of history—for example, in the formal tableaux based on rather romantic Victorian paintings such as "When did you last see your father?"

But the exhibition started changing in the mid-1960s following the arrival in 1964 of Mr. Edward Gatacre, now managing director. There have also been a number of other new senior appointments in the last few years, and five years ago Mr. Gatacre and his colleagues started the first of two Development Plans which have resulted in the expenditure of roughly £1m. between 1968 and 1973. The emphasis has been on using the space on the Baker Street site as efficiently as possible, improving the flow of visitors and making the building much more comfortable, and above all changing the nature of the exhibition itself.

The better use of space is particularly important since within its rather odd triangular site there were plenty of odd wasted corners, several of which have been eliminated. At the same time the wells of a rather grandiose staircase have been covered up, enabling the old Grand Hall and the Hall of Kings to be linked and a new room for entertainers and sportsmen to be created.

Absence of ropes

Another major improvement has been the installation of air-conditioning. But the most striking change to a returning visitor is the absence of ropes in front of the figures, which are now distributed over the floor. This not only ensures that there is less crowding, but also has tended to heighten appreciation of the figures by removing the previous sense of distance. The effect of all this has been that compared to 1968 the maximum capacity without creating intolerably uncomfortable conditions has risen from 10,000 a day to about 14,000.

In addition to the floorspace extensions, a new restaurant and greatly improved souvenir shops have also been included in the development plans; but the main priority has been altering parts of the exhibition. The aim is to restore Madame Tussaud's to the splendour of its "Golden" period of the mid-19th-century.

There has also been a recognition of the limitations of the traditional waxworks standing figure, in an age when leading personalities can be seen frequently on television. There has been an increasing interest in the use of sound and light aids to bring added life to the waxworks. The first example of this was in 1966 when the Battle of Trafalgar presentation was introduced.

The same approach is also reflected in a part of the exhibition known as "Heroes—Live" which combine special lighting effects, sound and projection. Among these contemporary heroes are David Frost, in an appropriate interviewing pose, two astronauts and Muhammed Ali. It is one of the complaints of Madame Tussaud's that there are relatively few "heroes" around. Among the new "heroes" being created is someone who has been dead several years—Humphrey Bogart.

It is also noticeable that current British politicians do not feature at all prominently in the plans. Instead of the former display where both the

Jean Fraser, chief sculptor at Madame Tussaud's, working on a head of Humphrey Bogart, and below, a final adjustment to Willy Brandt's tie.

Cabinet and the Shadow Cabinet were presented separately around different tables, there is now a group of about a dozen politicians of both parties around one table.

The selection of new figures presents difficulties to the company. Because of the standards required and the limits on the time of the sculptor only about 15 new figures can be produced every year.

The emphasis, however, is on the long-term appeal of a figure, rather than pandering to the latest entertainment craze. Also, because some 60 per cent. of visitors come from overseas, the figures must have an international appeal. But the economics and time taken to make the waxworks does create a lack of flexibility, with some rather dated figures appearing and others being noticeable absentees. For example, George Woodcock is still on exhibition while Vic Feather never made it. And no one apparently is even considering Len Murray.

Among the figures currently being prepared is inevitably Mark Phillips, in full dress uniform, plus a new version of Princess Anne, all ready for the wedding day. A new figure of Disraeli is also being produced, and after the recent addition of Picasso the policy of remedying deficiencies in the arts is being continued with a model of Henry Moore. Perhaps significantly, business is neglected, although Jim Slater was considered a couple of years ago.

This new emphasis has certainly had an effect, with the number of visitors to the exhibition increasing from 1.3m. in 1967 to just under 1.9m. last year. Within this total there is a strong seasonal pattern. The results are also affected by the weather, so this year's relatively fine summer undoubtedly influenced attendance. In addition to the waxworks there is the London Planetarium, and the majority of visitors go to both.

The company has also looked for expansion outside the Baker Street site, and three years ago started a waxworks in Amsterdam, in the Kalverstraat, the main central tourist and shopping street. Although there have been tax problems the exhibition, which has a very Dutch flavour, is now among the city's most popular attractions.

Wookey Hole caves

The latest expansion move was the acquisition in April of Wookey Hole caves in Somerset, together with an adjoining disused paper mill. The first stage of this scheme will be completed next summer, including the Madame Tussaud's storeroom and Lady Bangor's collection of fairground animals. But the main interest, and profit earner, is and will remain the Baker Street site.

It became known in the middle of last year that Regional had built up a stake in the company, although the 12 per cent. shareholding was not publicly announced until the end of July this year. Madame Tussaud's initial reaction was one of intense curiosity as to Mr. Conrad's intentions. He himself has said little. Apart from his compliment to the management team, he has merely stated that the shareholding is just an investment at the moment, and any long-term ideas he may have are not being spelt out yet. He has however said that closing the exhibition would be a "national disaster; you might as well close the Tower of London."

This leaves plenty of room for speculation, and the directors of Madame Tussaud's have been trying to find out what he sees in the situation which they have not spotted. They believe that there is not an enormous latent property bonanza in the site under the planning position as at present understood. Well before the Regional stake was known, the company had consulted with Jones Lang Wootton on how it could best exploit any remaining potential in the site.

The site is zoned for entertainment and leisure uses and there are strict height controls. The company received an unfavourable reply from planners when it wanted to make some changes recently although it is now looking at the whole subject again. But a major shift in planning policy seems unlikely in view of the Greater London Council's desire to restrict office development.

But there could be attractions to a bidder who perhaps had another site to which he could transfer the exhibition as part of a complex planning deal. If the site were cleared—and Tussaud's is not necessarily tied to its present building—an office development worth £15m. to £20m. could fit on the site, if the planners agreed. This is mere speculation, and it would be an open situation if there were a bid since, even including the Regional stake, only 26 per cent. of the shares are held by institutions and less than 3 per cent. by the Board. Just under three-quarters of the shares are therefore owned by individuals, mostly in fairly small investments.

The directors clearly hope that in the event of a bid they could expect support from the small shareholders, but there is clearly a limit to loyalty if the price is high enough. And this leads to the question of whether it is right that the independence of a company with a good record and efficient at running its own business should be threatened because the property potential makes it valuable to an outsider.

Army and Navy

A similar question was raised during the recent bid for Army and Navy Stores, where the price was sufficiently attractive to ensure that the directors accepted despite their desire for independence. But Mr. William Semple, then the A and N chairman, said: "It's sad that an old company which was turned itself round can be cut to pieces so that people can make millions of pounds without having contributed to the effort." A related issue is whether the customer benefits from such mergers, and it seems reasonable to ask whether Madame Tussaud's would retain its present character as part of a larger group.

A parallel can possibly be drawn with the numerous small breweries which have been taken over in the last few years; probably few of the customers would reckon that the beer has improved as a result of becoming part of one of the national groups. Madame Tussaud's is, of course, very far from losing its independence, and Mr. Conrad is very clear about his desire for the continuance of the waxworks. But clearly the situation could develop into a classic example of the clash between social and commercial use which happens all too often in London.

Letters to the Editor

Payment by results

Sir,—It is interesting that no-one objects to the fabulous sums earned by some pop stars, footballers or film actors. Not a word is raised in protest when half a million pounds is won on the football pools—equivalent to a pre-tax income of about £40,000. Even inherited wealth does not lead to anyone going on strike—on the contrary, the doings of the wealthy are read avidly in the gossip columns.

Only when someone earns a large salary by actually working hard and effectively does the criticism start. Yet surely anyone who runs a large and efficient business, giving employment to thousands and adding to the GNP is worth almost any price. The decisions taken by men such as Sir John Stratton of FMC can lead to the making of enormous sums of money—or the losing of them as disasters such as Rolls-Royce have proved to our cost. The remuneration of the top executive is a drop in the ocean.

We should surely try to give incentives to attract the ablest people into industry. After all, our very standard of living depends on them.

Great discrepancies in salary may not be morally right; I don't know. But in a society where success in other fields is measured in terms of money, why should business executives not be permitted to earn similar amounts?

H. M. Derrick, Mrs.
The Change, Randwick, Stroud, Glos.

Misquoted preposition

Sir,—Never can a misquoted preposition have been so oft repeated and I am sorry to see it yet again on your front page (October 31) ". . . what the Prime Minister once called *the* 'unacceptable face of capitalism.'"

A quick reference to Hansard will show that his words were "an unacceptable face . . ." which was indeed fair comment in the circumstances, but implies something quite different from that which the detractors of the City have used so gleefully.

Lloyd George of Dwyfor.
19-21, Billiter Street, E.C.3.

Unknown quantities

Sir,—Considerations of the availability and use of energy are made more difficult by the large number of units employed.

The commonly used Imperial Units include Btus, Therms, Kilowatt hours, gallons, barrels, cubic feet (of gas), tons of oil, tons of coal and tons of "oil equivalent." U.S. gallons are, of course, different from our own. In addition, the metric system has its own range of units.

It would be helpful if the energy pundits could settle for a shorter list. It might contain: Mega Joules for gas and electricity, cubic metres for oil and gas, tonnes for oil and coal.

For the record, someone might indicate the capacity of a barrel, it is not legally defined in the U.K.

J. W. Piggott.
16, Pears Close, Kenilworth, Warwickshire.

Cologne Cathedral

Sir,—I write to draw your attention to a mis-statement of fact in your article (October 25) by Mr. Malcolm Rutherford on "Cologne." He says of Cologne Cathedral that it was "carefully avoided in British bombing raids. . ." It was, in fact, terribly damaged to the point of collapse.

As a member of a British investigatory team in October, 1945, I observed and photographed the damage at fairly close quarters—it was dangerous to venture closer than 50 yards owing to falling masonry. The twin spires were still standing, but the roof was gone and there were enormous gaps in the walls, as much as 20-30 feet wide. At least one bomb was known to have exploded inside the Cathedral itself.

I believe our bombers were instructed to avoid the Cathedral and doubtless they did their best. I still have my photographs showing the damage. Subsequent repair by the Germans must have been exceedingly dangerous and was an astonishing feat of reclamation.

Alfred Brandt.
1 Belgrave Gardens, 89 Walter Road, Swansea.

Canals not archaic

Sir,—I would like to take up the point made by Mr. Lilly in his letter published October 31 that "the lorry is indispensable."

A neglected fact by many people is that there are over 2,000 miles of canal network in this country, the majority of which is centred in the more highly industrialised areas of the Midlands. The railways killed the canals, the roads killed the railways (or many of them) and it looks as though the juggernauts will "kill" the roads if we aren't too careful. Matters, however, have gone full circle on some canals since it was Mr. Wedgwood who realised, many years ago, the great potential of the canals for the transport of his very fragile loads, and I understand that, in fact, the Wedgwood company are now returning to this mode of transport, even if only in a small way.

To remove at least a small proportion of the juggernauts from the roads would ease the situation for many people.

The British Waterways Board is becoming more and more aware that it could have a very useful and active part to play in to-day's transport problems and industrialists, together with people concerned in local environment, should consider more carefully this form of transport and not dismiss it as slow and archaic.

M. D. Lusby.
12, North Hill, Fareham, Hants.

Petrol from coal

Sir,—With reference to Mr. N. Lyall's letter (October 25) the following statement by Mr. N. W. Freeman, chairman of Tenneco Inc., at the company's annual meeting on April 13 is noteworthy: "We are partners in the COGAS Development Company which has been formed to develop a pilot plant to convert coal into pipeline-quality gas and synthetic crude oil. Relative to this programme, Tenneco has obtained options on a group of coal leases in North Dakota and Montana."

V. M. Wolpert.
Wolpert and Jones (Studies), 24, St. John's Road, Golders Green, N.W.11.

The CPRE & Maplin

Sir,—Mr. Wood's letter on Maplin (October 30) strikes a nostalgic note. The day of the doughty local campaigner with posters of peasants with pitchforks is past.

Developing fast since these early achievements, the "environmental lobby" is very powerful to-day. With power comes the burden of responsibility. The Government chose Maplin as the site for London's third airport because it would minimise the environmental ill-effects and despite the extra cost. The Council for the Preservation of Rural England can hardly oppose Maplin. It could only oppose any airport. The argument then gets outside their area of competence.

The Essex branch of the CPRE has accepted the principle of a coastal site and I am not aware that it has changed its position. If one effect of successful opposition to Maplin would be to increase traffic at Stansted, members of the executive committee from North Essex would have an opposite interest to those from the Maplin area.

As seen from mid-Essex opposition to Maplin seems to be a matter of intense local importance.

G. S. Morrison.
The Old Rectory, Great Leighs, Chelmsford, Essex.

Is this a record?

Sir,—I have just found, purchased, restored and furnished a small 17th-century cottage in Essex all in under ten weeks.

The relative efficiency of the contractors involved in this operation is perhaps a sign of the times.

It was only the three largest private concerns that created the serious problems. A big insurance group provided house and contents cover on the wrong property "due to an oversight," a well known banking group failed to provide funds on time to complete the purchase, despite written instructions, because of a "misunderstanding" and a vast multi-national organisation rented out a removal van that was not only impossible to start without assistance but also positively dangerous!

By contrast the small local contractors handling building work, central heating, rewiring, carpet fitting and supply of soft furnishings were totally self-sufficient, capable and efficient as were the Eastern nationalised gas and electricity undertakings.

P. J. Rushbrooke.
10 Thornton Road, Wimbledon, S.W.19.

Tax relief

Sir,—Many people in the mid and upper income brackets enjoy substantial tax relief on mortgage interest and repayments. At present this relief is quite generous but, without reducing the overall amount of such relief, it may be beneficial to consider a redistribution of the sum involved.

Briefly it is suggested that after a minimum level of relief has been given thereafter only 50 per cent. of the relief would be allowed as at present. The other 50 per cent. would be issued to the taxpayers in the form of redeemable certificates. These certificates when presented to the relevant building society would be offset against the capital sum of the mortgages.

The societies would then claim directly from the Exchequer the total sum of the certificates paid in. In this way a substantial proportion of the relief would be returned directly to the societies to fund further mortgages.

Such a scheme should discourage people from taking unnecessarily large mortgages; avoid the need to reduce the amount of tax relief on mortgages and reduce the need for the Government to provide backing for building societies' funds.

The main advantage would, however, be its flexibility. By adjusting the "threshold" level or the percentage repaid in the form of certificates, or, in the case of the "first time" borrower, removing the "threshold" altogether taxation relief could be more readily directed to the area where it was most required at any particular time.

The adoption of such a scheme should be beneficial but it should not preclude the societies from putting their own houses in order to the extent of improving their management, reducing the number of offices and vacating some of their properties on prime sites which, when realised should provide further funds for mortgages.

Together, these moves and others should reduce the need for the societies to increase their interest rates with such monotonous regularity!

W. Chamberlain.
92, Polwarth Terrace, Edinburgh.

Transferable vote

Sir,—Within months of the Ulster assembly elections by single transferable vote in multi-member constituencies, the Kilbrandon commission has recommended a similar method of election to the proposed Scottish and Welsh assemblies. Recognition that this electoral procedure is vital to cure popular disaffection with British elected institutions is at last being obtained.

The Westminster parliament, which so urgently needs the application of a cosmetic to its fissured image, should not tarry in adopting the single transferable vote system. Otherwise, I fear that faith in our democratic process will continue to recede.

Richard Treadwell Hines.
Selwyn Cottage, Cambridge.

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Clouded launch for the 'safer' cigarette

On Tuesday, Courtaulds begins test-marketing its half-synthetic cigarette Planet. Sandy McLachlan explains why the move has met with opposition

WITH THE amount of money that has been spent on research to find a safer cigarette, one would expect that the first brand of this type to hit the streets would be welcomed with open arms. The first cigarettes to incorporate a synthetic tobacco substitute will actually be test-marketed in the Midlands starting on Tuesday, but the launch is surrounded by controversy.

The cigarette is called Planet and it has been developed not by one of the big tobacco companies but by Courtaulds—better known for its textile products. The composition of the cigarette is half tobacco, and half a cellulose substance derived from woodpulp. Courtaulds claims that it is less harmful than a cigarette containing only natural tobacco, yet the decision to test-market it has caused a question to be tabled in the House of Commons (it will be answered on Tuesday by the Secretary of State for Health and Social Security) opposition from Action on Smoking and Health, and an unfavourable reaction from the tobacco companies themselves.

£10m. plant

Courtaulds is not the only company to have developed a synthetic tobacco. Imperial Group, Britain's biggest tobacco company, has been working with ICI to develop its own formula. Such is the confidence at Imps that the group has committed itself to a £10m. production plant in Ayrshire. Imperial, however, is waiting for some sort of official pronouncement on synthetic smoking materials before it will even experiment publicly with its new product. The feeling at Imperial, and it is probably more than just sour grapes, is that Courtaulds has jumped the gun.

Courtaulds intends to announce details of its new venture on Tuesday to coincide with the launch of the product. Meanwhile it is saying no more than that it thinks that Planet is safer than any existing cigarette. In a prepared statement issued yesterday, the company announced: "until the Government stops the manufacture and sale of cigarettes which are known to be more harmful to health we will continue with our plans for Planet."

Committee

Several factors combine to make this a controversial stance. Perhaps the most important is the shadow which now hangs over any company which produces a totally new drug or substance for human consumption. Medical science was not able to foresee, for example, the possible effects of thalidomide, and there is always the danger, however remote, that a similar situation could arise in future.

In the case of a synthetic tobacco made from woodpulp this danger is pretty remote. But within the tobacco industry the legal advice is to wait until there is some official guidance on these products. Imperial has taken this to heart sufficiently to allow Courtaulds a clear marketing run at the field with its "safe" cigarette.

The Government is in a difficult position over the whole question. On one side at the Department of Health is a body of opinion which says that anything which is described as a "safer" cigarette will be taken by the public to mean a "safe" cigarette. It was precisely this view which for so long stopped the Government from publishing tables of tar and nicotine content of different brands on the grounds that people might feel safe if they smoked cigarettes with a low tar content, so upsetting the long-term campaign to persuade people to drop smoking altogether.

The alternative view, based on practical experience, is that people will continue to smoke anyway even in the full knowledge that it can do considerable harm to their health. The gradual upturn in the number of cigarettes smoked following the drop which accompanied the report of the Royal College of Physicians in 1971 is evidence of this, and if the view is accepted then the best course is obviously to try and render cigarettes as innocuous as possible.

This second approach has pretty well won the day in principle, but in uncharted waters the practical implications need a good deal of scrutiny, and because the tobacco industry itself wants the situation clarified it pressed for official investigation. In response to this pressure and internal pressures, the Government set up the Hunter Committee, headed by Dr. R. B. Hunter, vice-chancellor of Birmingham University, to advise on the *scientific considerations* related to smoking and health.

A large proportion of the Committee's time is expected to be taken up in deliberating the pros and cons of synthetic smoking materials, and the tobacco industry is co-operating wholeheartedly. But the committee only met for the first time towards the end of September and it is likely to be quite some time before anything emerges from that quarter. Only then is the tobacco industry likely to go ahead with commercial production of synthetic materials.

By going ahead now Courtaulds has therefore stolen something of a march on Imperial—which anyway it would need if it is to challenge the technology and marketing expertise of a company which dominates the U.K. cigarette market. Imperial, however, is privately *sceptical of* Courtaulds' chances of success even so.

Conservative

Instead of taking a tobacco industry partner, Courtaulds decided to go it alone. It did its own development in Coventry, and its only real connection with the established tobacco industry has been to acquire productive capacity in Dublin, and to engage Siemssen Hunter, cigar and cigarette importer, as consultants for the marketing of Planet.

The view at Imperial is that by producing Planet with a 50-50 split of tobacco and synthetic materials Courtaulds has probably gone too far. It is reasonable to assume that the products developed by each company are similar since they are both cellulose substances from a woodpulp base, and Imperial reckons that, initially at least, the best it could hope for would be a 20 per cent. synthetic content.

The point here is that the whole aim in producing a synthetic smoking substance is to make it absolutely neutral. It should be non-toxic, should not taste of anything, and should burn away with the tobacco in such a way that nobody would notice the difference. Effectively, therefore, it is diluting the tobacco content, and hence diluting the amount of tar per cigarette (the harmful element) and also the nicotine content (which is what gives the addicted smoker his satisfaction).

Long term, there is the possibility of producing a non-toxic cigarette which has nicotine and harmless taste essences injected into it. But that is looking a very long way ahead; at present it is the taste of a cigarette plus the nicotine content which sells it to the smoker, who is a very conservative animal when it comes to changes. Having isolated tar as the most dangerous ingredient in natural tobacco, the tobacco companies have been gradually changing their blends to reduce tar content. Over a period of time Imperial has reduced the tar content of its brands by around 30 per cent., but it has been done by imperceptible steps so as not to lose the smoker's allegiance.

As far as Planet is concerned therefore, there may be a danger that the safety attractions will be counteracted by the very mild nature of the cigarette. In spite of the safety claims the packet will still have to carry the Government health warning, and a random sample of smokers who tried Planet for the trade paper Confectioner *Tobacconist Newsagent* came up with the verdict that the cigarette looked and smoked like a normal cigarette, but that it was "quite tasteless." That is something that Courtaulds will find out as a result of its test marketing.

Own make

The situation is particularly interesting since it is apparently Courtaulds' intention to make and market its own cigarettes if Planet proves successful, rather than simply to manufacture the synthetic tobacco substitute for sale to tobacco companies who are not developing their own.

There is some prospect, therefore, of a fourth major presence in the cigarette market to join Imperial, Gallaher and Carreras Rothmans, and Courtaulds obviously feels that it is getting the edge by being first in the synthetic field. It is possible that the Department of Health will take a slightly dim view of one company going ahead with synthetics while the tobacco industry itself is prepared to wait for guidance, but it is unlikely that it would do anything about it until the Hunter Committee has had its say.

Labour News

Ford workers draft new pay demands

BY ROY ROGERS, LABOUR CORRESPONDENT

FORD MOTOR'S 52,000 workers have begun moves for their next pay deal, due from March 1, by drawing up guidelines for national negotiators to weld into claim for submission within the next month or two.

Drafted by union representatives from Ford joint works committees and national officials. The demands are in four main parts including a "substantial" flat rate increase. Although there were the usual calls for an extra £10 a week, it was decided against tying the negotiators down to any specific figure.

Other parts of the claim include a five-hour reduction in the 40-hour week, abolition of grade A (which covers about 700 labourers, mainly sweepers and lavatory attendants) and elimination of the four years' service before qualifying for the full basic rates.

Last year's Ford settlement included £2.20 a week basic rate increases—worth up to £3.25 on earnings—plus two extra days' holiday, improved lay-off pay and pensions.

The build-up to the 1974 Ford claim, which is certain to be well in excess of the Stage Three limits, comes at a time when men at the company's Dagenham, Essex, complex are already showing signs of discontent.

For more than a month, Dagenham assembly workers have been banning overtime in support of their demands for a guaranteed 40 hours' pay even when made idle by internal disputes.

Together with staff shortages, this action is costing production of over 200 vehicles daily, mainly Cortinas, Consuls and Granadas, at a time when demand is great.

The guaranteed pay demands stem from the lay-off of some 8,000 Dagenham assembly workers when 2 000 men went on strike after a colleague was dismissed for allegedly hitting a supervisor. Arbitration on the case of Mr. Winston Williams, who was reinstated in another department, is to take place later this month.

Chrysler electricians' strike talks adjourned

BY ROY ROGERS, LABOUR CORRESPONDENT

TOP-LEVEL talks aimed at settling the 14-week-old pay strike by 156 electricians at Chrysler U.K.'s Coventry plants were last night adjourned until Monday.

This is apparently not because the talks are getting bogged down, Mr. Roy Sanderson, national officer of the Electrical and Plumbing Trades Union, said they were making "some progress"—but because they need to consult the Pay Board on parts of their proposed peace formula.

A mass meeting originally called for to-morrow to consider the progress of the negotiations has now been put back to Wednesday.

Monday's talks will resume on the EPTU's still-secret proposals centring on their claims that the company offered them £250-a-year increases from July 1.

Up to the current set of negotiations the company had offered £190 a year, a recommendation supported by a committee of inquiry whose report has since been rejected by the union.

However, the approaches to the Pay Board will be to test whether another of the committee's recommendations, staff status for electricians, is possible under Stage Three of the Government's wages policy.

Yesterday, the 4,250 workers at Chrysler's engines and transmissions plant at Stoke, Coventry, voted unanimously to accept a £1 plus 4 per cent. pay offer.

This will give them an extra £2.41 a week and raise the production operator rate to £47.17. Included in the formula is an extra two day's holiday.

Some 5,000 workers at the Avenger car plant at nearby Ryton are expected to vote on a parallel offer soon.

Decision later on Co-op appeal

Judgment was reserved yesterday in the Co-operative Employers Association's High Court challenge to a ruling of the Pay Board.

The Co-op societies had asked Mr. Justice Griffiths to overrule the Board's order that pay increases for women laundry workers should be reduced by 10p for 30 weeks to bring them in line with Government wage policy.

Tuesday crucial for power cuts

BY OUR LABOUR CORRESPONDENT

WARMER WEATHER, the usual lower week-end demands for electricity and Monday's engineering union strike, which is expected to hit large parts of industry, should help stave off any further power crises until next Tuesday evening.

This was the prediction from both sides of the industry. Supplies were not seriously affected by the 18,000 power engineers' ban on stand-by duties yesterday.

The action is by members of the Electrical Power Engineers' Association, who are seeking implementation of agreed improvements in stand-by payments, which have been blocked by the Government's wages policy.

NEW FACTORY FOR FIRTH CLEVELAND

Firth Cleveland Estrunions, Pembroke, a GKN subsidiary, has taken over a 37,000 square feet Government factory at Aberrave, South Wales.

The Department of Trade and Industry states it will enable the company to expand its production and also rehouse the existing nut production which is to be transferred from GKN's works at Darlaston, Staffordshire.

U.S. opens its market to butter imports

BY ROBIN REEVES, COMMODITIES EDITOR

THE U.S. has opened its market to some 35,850 tons of butter and butter oil imports from overseas suppliers in a move which the dairy trade sees as indicating the days of world *dairy surpluses* may be numbered. A similar move to allow large imports of cheese into the U.S. is expected shortly.

The butter the U.S. is importing, includes nearly 13,000 tons from New Zealand, just over 11,000 tons from EEC sources (thought to be mainly Irish) and a further 11,700 tons made up *of small quantities from* Argentina, Australia, Sweden, and Switzerland. All the butter will be subject to import duty of $154 a ton.

Exports from the U.K. are now being discouraged by an EEC export levy of some £9 a ton. Only a matter of days ago, the U.K. dairy trade was enjoying an *EEC export subsidy of around* £19 a ton.

Even so, the trade expects the butter sent to the U.S. to be marketed profitably. Production there has declined severely as a result of the beef boom and the very steep rise in feed costs.

On cheese, the dairy trade is confidently expecting the U.S. to allow imports of up to 64m. lbs (some 29,000 metric tons) of cheddar type in the near future.

Whereas U.S. butter demand is expected only to inject a more buoyant tone into the butter market, cheese imports of this order could have a perceptible influence on cheese prices.

The U.K. is probably the only country holding cheddar-type cheese stocks of any size. The latest British figure is 88,000 tons. Elsewhere, New Zealand and Australia are only just emerging from their winter, so stocks there are bound to be at their lowest ebb, while in Europe, France and Holland between them are not thought likely to be able to find more than *4,000 tons for export*.

It would be premature to suggest that the dairy products market is again moving from surplus towards shortage. It is interesting to note, though, that the small EEC levy on exports of butter from the U.K. does represent a move to keep butter in the Common Market.

Moreover, it has been argued that present European butter stocks of 300,000 tons are far from mountainous when compared with annual consumption in the Community of some 1½m. tons.

Given the Community's considerable efforts to reduce production on the one hand and stimulate consumption by consumer subsidies on the other, it is suggested these stocks could dwindle in the not too distant future.

Barclays may again cut account charges

BY MARGARET REID

BARCLAYS BANK, largest of the Big Four clearing banks, may soon cut its charges again in the wake of the National *Westminster's* action to eliminate charges on most of its current accounts.

Lloyds and the Midland, the other major clearers, are also making urgent reviews which may lead to reductions.

A spokesman for Barclays Bank said yesterday: "We may be in a position shortly to make an announcement. We have for some weeks been seriously considering reviewing our charges.

"If there is a further adjustment, it would almost certainly be downward."

Last spring Barclays brought in a reduced scale of charges applicable from January 1, 1973, *for its personal account customers, who number nearly 4m.* It estimated yesterday that this move had cost it more than £6m. a year.

The signs are that a further cut in charges is likely by Lloyds Bank, which also reduced the amount current account customers pay, from the beginning of this year.

"*We are and have been looking at our tariff charges in a general review*" it was stated yesterday on the bank's behalf.

At the Midland, an official said: "We introduced our own current account tariff on May 31, retrospective to January 1. We regard it as competitive. We are now looking at the National *Westminster scheme in depth.*"

The Midland calculates that, under its present tariff, some 40 per cent. of its 3m. or so current account holders pay no charges.

NatWest, which yesterday introduced major changes under which no customer maintaining a minimum £50 credit balance will pay for the running of his *account, estimates that there will* be no charges on three-quarters of its 4m. current accounts.

The renewed attention to charges has followed sharp rises in the banks' profits, in which the high level of interest rates has *been a big factor.*

While profits before tax of NatWest rose 81 per cent. to £92.2m. in the first half of the year, those of Barclays were 74 per cent. up at £95.1m. The other major clearers also showed substantial increases.

Added motive

In reviewing their charges, the banks have for some time needed to have an eye to the counter-attraction other bodies, such as the building societies, offer to personal deposit holders at a time of high interest rates. There is now the additional motive for re-examination by the other clearers that NatWest's new cuts could lead to some diversion of business.

A spokesman for NatWest said yesterday: "I'd be surprised if people had made any move as yet. But what has come out is that it has captured people's imagination that if you keep £50 in the bank you don't pay any charges at all."

TRAINING TARGET 'WILL BE BEATEN'

Targets for Government training schemes for the next two years in the North West would be exceeded, Mr. Maurice Macmillan, Employment Secretary, forecast in Liverpool yesterday.

This year's target of 5,600 had been passed already and by the end of the year he thought it would be exceeded by about 10 per cent. Next year's target was 7,800 and the following year, 9,250. "It is a tall order, but I believe we shall beat these targets."

It was absolutely essential to *modernise, widen and deepen the* whole pool of skills, Mr. Macmillan added.

Godber considers early farm price review

BY JOHN EDWARDS

AN EARLIER than usual Farm Price Review was not out of the question, Mr. Joseph Godber, Minister of Agriculture, said in Dover last night.

He was perfectly willing and ready to discuss with the National Farmers' Union any way Price Review procedures could lead to decisions being announced earlier than the normal time of the second half of March.

No firm undertaking could be given, however, in view of the detailed and elaborate discussions needed between Ministry and NFU officials. It was also necessary to consult the EEC Commission in Brussels before decisions were finally announced.

Nevertheless, Mr. Godber said he was asking his officials to discover if the timetable could be realistically put forward.

The Minister was replying to a plea from Sir Henry Plumb, NFU president, this week calling for an early Price Review.

COMPANY NEWS + COMMENT

Record third quarter for J. Coral

Leisure and bookmaking group, J. Coral Holdings reports record profits of £1.45m. for the third quarter of 1973 against £1.29m. for the same 1972 period.

This takes the nine months total up from £3.8m. to £4.23m. before tax. For all of 1972 the figure was £4.25m.

The directors again stress that quarterly trading results are liable to severe fluctuations and profits of an individual quarter will not necessarily be a guide to future trading.

All divisions are operating at increased activity compared to last year and results of the recently acquired bingo business have been most encouraging, they add.

They are paying an interim dividend of 0.4p gross—0.28p net—against the equivalent of 0.41p adjusting for a one-for-five scrip, and have also declared a second interim effectively raised from 3.75p to 3.975p gross—2.7825p net. Previous total was equal to 6.927p per 10p share.

	9 months 1973 £000s	9 months 1972 £000s
Turnover	50,780	61,100
Trading profits	4.317	3.808
Tax	2.027	1.523
Net profit	2.290	2,285
†Minorities	238	187
Attributable	2,052	2,098

† And pre-acquisition profits.

See Lex

INDEX TO COMPANY HIGHLIGHTS

25% again from "W" Ribbons

MANUFACTURERS of nylon and polyester webbings "W" Ribbons Holdings reports group profit before tax for the year to June 30, 1973, of £256,919 compared with £266,618 in 1971-72, after being £119,268, against £105,106 at halfway.

A final dividend of 10.5 per cent. net, the equivalent of the previous 15 per cent. gross, maintains the 25 per cent. gross total.

Consolidation of the weaving division acquired from Britax, and its incorporation, together with other machinery, into the new unit at Tonypandy, South Wales, suffered some delays and it did not prove possible to gain the full sales turnover improvement during the year, the directors say.

Adverse effects of the price freeze also affected profitability for the latter part of the year. However, full advantage has been taken of current development allowances and grants and W Ribbons, the main trading company, will pay no taxes on this year's profit and have also substantial relief on previous years.

Trade is currently "very good," the directors add, and first-quarter sales turnover is 44 per cent. higher. This figure includes a small initial contribution for August and September from the recently acquired subsidiary Lolift.

	1972-73 £	1971-72 £
Turnover	2,727,820	2,234,334
Profit	256,919	266,618
Tax	111,622	106,215
Net profit	145,297	160,403
Interim dividend	24,640	15,706
Final	36,960	43,800

INT. FINANCE

International Finance and Services, a United Dominions Trust subsidiary specialising in the provision of financial services to exporting companies, has changed its name as from November 1 to UDT International Finance.

Hold up at Martin Black

WIRE ROPE manufacturers Martin-Black has advanced its first-half 1973 trading profit by over 40 per cent. to £264,000. But chairman Mr. J. R. Hendry warns that it will be extremely difficult to maintain that progress and/or to surpass the £439,000 record trading profit achieved in the year 1973.

Profit, before tax, for the half-year was £282,000 ,against £252,000, including associates' contribution £26,000 (£67,000). Mr. Hendry says the Indian associates were affected by poor monsoons and other troubles, but they are now forecasting that full year's results will be close to those of 1972.

Explaining his warnings for the rest of the year, the chairman says the order intake, both in the U.K. and Canada, has continued at a high level, but production and sales have been hit by a complete ban on overtime in a key section. The problem has been solved within the past few days but its results have been wide-ranging.

	First half 1973 £000	First half 1972 £000	Year 1972 £000
Turnover	2,938	2,430	5,042
Trading profit	264	185	439
Exchange losses	8	—	*5
Associates	26	67	110
Profit before tax	282	252	544
Taxation†	127	99	256
Extraord. credits	—	—	26
Attributable	155	153	324
Retained associates	14	46	38
Available	141	107	286

* Profit. † Includes overseas £30,000 (£35,000 and £139,000).

Earnings per share are given as 3.53p (3.48p). The interim dividend is 1.3125p gross, or 0.91875p net, against 1.25p, and it is proposed to pay a final of 2.27062p gross (1.589438p net).

● **comment**

After six months Martin-Black's profit is 12 per cent. ahead pre-tax but margins were clearly under pressure with sales up a fifth. Moreover, a lack of overtime working for the first 3½ months of the current half has meant a reduction in output up to last week of 20 per cent. so the group is unlikely to repeat the 1972 earnings pattern this year. However, a 9.7 net p/e at 89p does have points in its favour. Capacity is now back to normal and the workload is exceptionally high. The margin problems in January/June were deliberate policy allowing M-B to break into the North Sea market for rope-work and in 1974 rig demand may be accounting for a quarter of the sales total. The Indian associates are recovering and 1974 takes in some sizeable expansion in Canada.

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Loss cut by Balfour Darwins

ON TURNOVER up from £5.32m. to £7.25m., steel group Balfour Darwins has cut back its 1973 half-year loss from £487,000 to £103,000, after an increase in interest charges from £101,000 to £180,000.

There is no U.K. tax charge, but overseas taxes rose from £27,000 to £101,000, to leave a net loss of £204,000, against £514,000.

There is again no interim dividend. A 1 per cent. gross final was paid last year, when the pre-tax loss totalled £605,780.

At the last annual meeting, chairman Mr. M. R. Balfour told members the first half could not be expected to show the measure of profit recovery the directors were hoping for in the full year. The second half would see sales of work then in progress, with consequent effects on profits.

The directors, commenting on the half-year figures, state that a substantial improvement has taken place, particularly in the considerable overseas interests.

Order intake nearly doubled and U.K. output was increased but not to a satisfactory level nor fast enough *in some areas*. Costs rose at a higher rate than budgeted and price increases during the period were insufficient.

The main reasons for the slow increase in production were delays in completing planned rationalisation and improvements of plant, together with difficulties of recruitment in a period of high demand.

Since June 30 this strong demand has continued and further price increases have been made. In spite of higher interest rates, expansion and re-equipment *continues*.

However, in one division a strike is currently restricting output. When the present dispute is over, results will show continued improvement, the statement adds.

● **comment**

After the statement in the last annual report that the company had returned to "overall profitability" by March of this year, Balfour Darwins' half time loss is obviously disappointing. The pre-tax loss has been reduced to a fifth of its level at the last interim, despite the 80 per cent. increase in interest charges, but there is still no promise that the company will be making profits by the year end. Thus what support there is for a share price of 88p comes from asset backing of over 230p and interest *surrounding* the further rationalisation of Sheffield steel.

Sturla confident of growth

CONTINUING the growth achieved last year, George Sturla and Son reports profits for the half year ended July 31, 1973, ahead from £21,000 to £124,000.

The rest of the year should produce a "material" increase over the £287,000 of the corresponding period last time; and for the future the directors are forecasting "very considerable expansion."

Profit is after crediting interest earned on customer debts of three years duration and over on an actuarial reducing balance basis, instead of the even time basis previously used. If this basis had been used in the year 1972-73 it would have resulted in an increase of approximately £32,000 in the profits of that year.

The directors report that the half year has seen substantial organic growth in all divisions, and has placed the company in a "very strong" position to benefit from the peak trading period in the second half.

There are now six specialist shops renting and retailing colour television and audio products, and several more premises are currently being negotiated for opening during the next financial year.

Electrical discount warehouses in operation total nine and a further two are planned by the end of the financial year. An agreement has been reached with Kwiksave, the supermarket group, under which sites within Kwiksave discount centres were acquired in five prime locations, and several more are under negotiation for early next year.

An interim dividend of 0.5p gross, or 0.35p net is declared. For the year ended January 31, 1973, a single 1p gross was paid.

	First half 1973 £000	First half 1972 £000	Year 1972-73 £000
Turnover	3,325	1,070	4,235
Trading profit	446	173	1,007
Depreciation	39	19	72
Interest paid	73	12	49
Unrealised int.*	190	121	339
Pre-acquisition	—	—	39
Profits before tax	124	21	308
Taxation	59	—	129
Minority	2	—	2
Extraord. credit	99	[illegible]	†37
Attributable	162	14	140

* Provision for unrealised interest on check and other credit debts. † Debit.

● **comment**

George Sturla has undergone considerable change *in the 18 months* since British Building Trust acquired a 30 per cent. interest in its equity (this has since risen to 60 per cent.) and the benefits have really started to pay off in the first half of 1973-74. The nature of Sturla's trade is now firmly biased towards the second half with most of the year's profits normally earned in October, November and December. So given that the second six months will see increased contributions from all of the recent openings the group looks quite capable of doubling its 1972-73 pre-tax level in the current year. At 95p that puts the shares on a net prospective p/e of 13.8 which appears to have strong backing.

Results due next week

The company news list next week is headed by the nine months' figures from Shell and Unilever. Two constituents of the *FT 30 Share Index*, **Boots** and **Beecham**, report interim figures next week and interim and preliminary figures are expected respectively from **Associated British Food** and **Birmid Qualcast**.

Royal Dutch/Shell Group has been pushing its profits along at a staggering pace so far in the current year and there seems no reason why the third quarter figures on Thursday should not reveal a similar rate of growth to that seen in the first six months when the net income level jumped from £53.2m. to £142.3m. The Middle East oil crisis may not have enough effect in the current year to prevent the group from maintaining this growth and bring the full year net income level up to around £550m., against £270m., but it must raise some doubts about the 1974 growth prospects.

After Unilever's warning last May that it might be difficult to maintain profit margins, the second-quarter, pre-tax growth of 23 per cent. (on sales up 14 per cent.) was met with a rather unkind 11p fall to 334p in the share price on the day. There seems little doubt that margins will suffer in the latter half of *the current year*, with raw material prices soaring, but overall the pre-tax profit for the year could be increased by £50m. to around £300m. However, when looking at the trading level profits could be up something around 15 per cent. only. The third-quarter figures are due on Wednesday.

Next Thursday sees **Boots** and **Beecham**, two previously disappointed rival bidders for Glaxo, both revealing interim figures. At Boots' AGM last July the chairman, Dr. G. I. Hobday, told shareholders that sales for the first quarter were ahead of the budgeted 20 per cent. increase. Trading should have been buoyant so far this year, and although the bumper six weeks of Christmas trading is of course yet to come, a 20 per cent. increase in sales for the first half seems likely. Profits growth could be slowed down because of apparent problems with current margin restrictions. Still, a steady 10 per cent. growth in profits for the year seems reasonable, which would mean around £23m. pre-tax at the half-year stage.

Beecham also should have seen six months of buoyant trading. Overseas, Europe should have *progressed and further growth in* America looks possible. Also, the comparable period was depressed by costs at the Irvine factory and changes in the French sales set-up. So a pre-tax profit over £22m. against £19.5m. should be attained by the group for the first half.

Associated British Foods produces its interim profits on Monday and these look set to reveal a healthy increase. Two of the group's most important subsidiaries Premier Milling of South Africa, and George Weston Foods have already reported pre-tax improvements of 55 per cent. and 26 per cent. *respectively*, so an overall profits rise of about 25 per cent. looks a safe bet for the half-year figures. However, the second six months is likely to feel more of the effect of the recent cost increases, particularly on the bread side, and that may cause growth to ease to around 15 per cent. *by the year end.*

Close on the heels of the announcement that it is to acquire De La Rue's Potterton central heating business, comes **Birmid Qualcast's** preliminary statement on Wednesday. It seems inevitable, following a 47 per cent. pre-tax jump in the first half that *profits will show some improvement* over the £8.66m. scored in 1972. However, a slowdown in the second half also seems likely, given that much of the first half growth was attributable to a pre-VAT boom in lawnmower sales. Furthermore, demand in the motor component division must have been hit in the second six months by industrial disputes. It would probably be unwise to expect any more than around £10m. pre-tax for the full year.

A few other prominent companies in the next week's list include **Yorkshire Chemicals** which *will reveal interim figures on Monday*, and **House of Fraser's** first half and **Baker Perkins'** full year figures on Tuesday. On Wednesday **Averys**, along with **Readicut International**, will be reporting interim figures. Thursday should see first half results from **Head Wrightson** and **AW (Securities)**, and preliminary figures from **Smiths Industries** and **United City Merchants**, while **Wolseley-Hughes** will reveal full year figures on Friday.

Company	Announcement due	Dividend %* Last year Int.	Dividend %* Last year Final	This year Int.
FINAL DIVIDENDS				
Assam Consolidated Tea Estates	Wednesday	—	8	—
Bazalom Holdings	Tuesday	—	13½	—
Birmid Qualcast	Wednesday	7	11½	7
Bridport-Gundry (Holdings)	Tuesday	4	6	[illegible]
Brycourt Investments	Monday	—	—	—(j)
Cedar Investment Trust	Tuesday	3½	5	2½
J. Collett	Thursday	—	Nil	
Concentric	Thursday	10	16	10½
Fourth City & Commercial Inv. Trust	Wednesday	—	35	—
G R (Holdings)	Wednesday	8½	31½(s)	10
House of Sears (Holdings)	Friday	—	Nil	
London & Prov Shop Centres (Hldgs.)	Friday	5	6½(e)	5(f)
Martonair International	Thursday	7.737	13.636	8½
National Bank of Australasia	Thursday	6	3½	6
Newman Granger Industries	Thursday	7	9	5
W. J. Pyke (Holdings)	Wednesday	—	12½	—
Raili Securities Trust	Monday	—	—	1.429
Rand Mines Properties	Thursday	—	8(e)	—(t)
Rand Selection Corporation	Thursday	30	60	35
Scottish & Mercantile Investment	Friday	5	7½	5
Scottish National Trust	Tuesday	6	8.5	6
Selukwe Gold Mining & Finance	Monday	—	10(c)	—
Smiths Industries	Thursday	4½	5½	5.143
Sungei Bahru Rubber Estates	Thursday	3	2	3
Talbex Group	Wednesday	—	—	5(u)
Tricoville	Tuesday	8.33	12.5	9¼
United City Merchants	Thursday	8	5	11
Wade Potteries	Wednesday	4	16(k)	4
Westward Television	Wednesday	12(p)	10.5(q)	[illegible]
White Drummond	Thursday	25	41½	26½
Wolseley-Hughes	Friday	10	12	10½
Wood Hall Trust	Thursday	—	20	—
INTERIM DIVIDENDS				
Airflow Streamlines	Monday	6(m)	15	
Associated British Foods	Monday	15	25.951†	
Averys	Wednesday	9.035(‡)	7.76(§)	
A W (Securities)	Thursday	5.625	13.929	
Baker Perkins Holdings	Tuesday	4	4.314	
Bankers' Investment Trust	Tuesday	2	6.75(n)	
Baxters (Butchers)	Thursday	4	11½	
Beecham Group	Thursday	12	14½	
Boots	Thursday	6	15.1	
John Bright Group	Wednesday	5	6	
British Investment Trust	Monday	7½	8	
Capper-Neill	Thursday	12	12	
Cater Ryder	Wednesday	5	17	
Chamberlain Group	Wednesday	3½	5½	
Clement Clarke (Holdings)	Tuesday	3.6	6.48	
Davies and Newman Holdings	Tuesday	10	21	
English National Investment	Thursday	2.4	5.4(f)	
Feedex	Friday	[illegible]	10.167	

Company	Announcement due	Dividend %* Last year Int.	Dividend %* Last year Final	This year Int.
P.M.C.	Thursday	—	12.8	
Fortnum and Mason	Thursday	5	20.169	
Gateway Securities	Wednesday	2½	[illegible]	
Luis Gordon Group	Thursday	—	30(5)	
Hartwells Group	Wednesday	3½	13.4	
Head Wrightson	Thursday	4	8.6	
R. and J. Hill Group	Monday	Nil	Nil	
House of Fraser	Tuesday	6½	12.125(a)	
Jersey General Investment Trust	Wednesday	3	4	
London and Northern Securities	Tuesday	17(c)	8(d)	
Magnolia Manufacturing	Tuesday	5	18	
Majedie Investments	Wednesday	30	9.375(v)	
Mountview Estates	Wednesday	10	16.25	
Northern Securities Trust	Thursday	4	10	
Ocean Wilsons (Holdings)	Tuesday	4	9.65	
Ovenstone Investments	Monday	—	—(r)	
Edgar Pickering (Blackburn)	Monday	[illegible]	35.5	
Readicut International	Wednesday	8	18.68	
Time Products	Monday	4.8	15.36	
Tobenoll	Monday	3.227	3.364	
Tranwood	Friday	—	11(i)	
Tysons (Contractors)	Monday	—	12.143(h)	
United Capitals Investment Trust	Monday	5	3½	
Ben Williams	Monday	5	10.714	
Weston Pharmaceuticals	Friday	8	[illegible]	
Yorkshire Chemicals	Monday	7	11.375	
INTERIM FIGURES ONLY				
Eva Industries	Wednesday			
Guardian Investment Trust	Wednesday			
John Haggas	Tuesday(b)			
Royal Dutch Petroleum	Thursday (g)			
Walter Runciman	Tuesday			
"Shell" Transport and Trading	Thursday(g)			
Unilever	Wednesday(g)			
Unilever N.V.	Wednesday(g)			

* Adjusted for any intervening scrip issue. † Second interim in lieu of final. ‡ Includes 4.4 per cent. second interim. § For nine-month period. Interim 7.783 per cent. already paid for current year. ¶ Made public October, 1972, when forecast 25 per cent. interim, and 30 per cent. final if company had been quoted for full year. (a) Forecast not less than 19.286 per cent. gross total. (b) First quarter figures. (c) Includes 10 per cent. second interim. (d) Third interim for 18-month period. Forecast at least 18 per cent. total for current year. (e) For 12 months. (f) Forecast 15 per cent. total for 15-month period. (g) Third quarter figures. (h) Made public January, 1973. (i) Special interim for 13-month period. Made public January, 1973, when forecast 5 per cent. interim, and 12 per cent. final for full year. (j) Made public July, 1972. Forecast 4 per cent. annual rate. (k) Includes 10½ per cent. second interim. (l) Second interim. (m) Includes 1 per cent. special dividend. (n) Includes 4 per cent. special interim. (o) Includes 3½ per cent. bonus. (p) Includes 6 per cent. special interim. (q) For 15 months. (r) Forecast 80 per cent. total in September, 1973, prospectus. (s) Includes 21½ per cent. second interim. (t) Forecast not less than 8 per cent. dividend for nine-month period. (u) Forecast 3 per cent. interim and 6 per cent. final in November, 1972 prospectus. (v) For 18 months.

DIVIDENDS ANNOUNCED

		Current payment %	Date of payment	Corresponding div. %	Total for year %	Total last year %
Balfour Darwins	int.	Nil	—	Nil	—	1†
J. Coral	int.	0.4(e)†	Nov. 30	0.41*	—	6.93*
	2nd int.	3.98(f)†	Jan. 4	3.75*	—	6.93*
Fairdale Textiles	int.	11.43(g)	—	—	—	34.12
Granley Security		1.05†§	Jan. 9	1.5	2.5	1.5
Grant Bros.	int.	1.52§†	—	2.16	—	5.41
Hawthorn Leslie		2†	—	Nil	4	Nil
Mackinnon of Scotland	int.	0.88§†	Dec. 3	1.25*	—	3.75*
Martin-Black	int.	1.31†(c)	Jan. 8	1.25	—	3.41
Myddleton Hotels		5(h)†	—	5.25	7.25	7
George Sturla	int.	0.5†(b)	Jan. 2	—	—	1
Ulster Television		4.14†(a)	Jan. 8	4.63	6.14	5.87
Viner's	int.	0.53†(d)	Jan. 4	0.5*	—	1.37*
"W" Ribbons		10.5§	Dec. 18	15	25	25

* Equivalent after allowing for scrip issue. † Pence per share. ‡ On capital increased by rights and/or acquisition issues. § Net—equal to last year's gross. (a) Gross of 2.9p. (b) Gross of 0.35p. (c) Gross of 0.91875p. Final of 2.270625 gross, or 1.589438p net, is forecast. (d) Gross of 0.3675p. (e) Gross of 0.28p. (f) Gross of 2.7825p. (g) Gross of 8 per cent. (h) Gross of 3.5p.

ISSUE NEWS AND COMMENT

Winston placing

Stockbrokers Grenfell and Co. have arranged a *placing* of 1,269,175 Ordinary 25p shares (23.1 per cent. of the issued capital) at 34p per share in Winston Estates. Of the shares to be placed, 571,428 are newly issued. Application has been made to the Council of the Stock Exchange for a listing; dealings are expected to start on Friday, November 9.

Winston Estates was incorporated on June 8, 1960, and the business of the group is that of a property investment company now holding a £4m. portfolio of freehold property including shops, stores, motels and an hotel. The properties, principally in the South of England, are comprised of lock-up shops, shops with accommodation or offices (67.6 per cent.), *motels (12.1 per cent.)*, flats (9.1 per cent.), hotel (4.3 per cent.), farmland and undeveloped land (2.2 per cent.) and factories and other (4.7 per cent.).

It is the directors' intention that the group continue its policy of acquiring properties for holding as investments and also sites or properties for development either for retention or subsequent sale. Pre-tax profits rose from £61,700 in 1968 to £108,000 before tax in 1972. On the basis of the profits for the first six months of 1973, the directors forecast that *profits for the whole of the year* should not be less than £100,000 before tax. If earnings are calculated on an annualised basis (i.e., on the assumption that revenue on the net proceeds of the issue will accrue at 10 per cent. per annum) the resulting profit after tax would enable dividends of 4.06 per cent. (5.8 per cent. including associated tax credit) to be paid on the increased capital. At the placing price of 34p and on the basis of a gross distribution of 3.8 per cent., covered 1.0 times, the yield would be 4.26 per cent.

Eagle Star Insurance, which is represented on the Board, will have a holding (including those of associates) of 17.7 per cent. after the placing. Directors, plus family interests, control 25 per cent. of the equity.

● **comment**

With the F.T. Actuaries Property index up 13½ per cent. since the beginning of October (to a new 1973 high), presumably reflecting relief about the contents of the Stage Three *proposals*, now seems a good time to bring a new property company to the market. In Winston Estates' case the pedigree is good enough, the portfolio is reasonable without being exciting and the yield is attractive relative to the sector. Whether this is good enough to carry a discount to assets of 30 per cent., when many of the majors are reckoned to be on discounts maybe approaching 50 per cent. — British Land is estimated to be on a 47 per cent. discount — remains to be seen. But what is perhaps more important is where the group goes from now, and with new management likely to be brought in to build up the more exciting property development side the position could clearly change rapidly. That is why the placing should get away fairly comfortably.

Particulars Pages 24 and 25

Christie's quotation plans

The controlling shareholdings of the directors of Christie's, the London auction house, when it goes public shortly will not be quoted. Only shares offered to the public will be listed on the Stock Exchange.

However, a spokesman for Hambros Bank, which is handling the issue, maintained yesterday that this was not a reversal of the current trend for enfranchisement of non-voting "A" shares in public companies where the directors and families held the voting Ordinary shares.

Although the Christie's directors' shares will be "A" shares, they will rank pari passu with the publicly held Ordinary and all will carry votes. The only difference will be that if a director wishes to convert his holding into Ordinary to realise cash in the market, he will first have to offer them to his fellow directors.

The idea is to protect the expertise within the company, which is its major asset from a take-over. Also, it is felt it will protect the company's reputation in the eyes of the public and the company's clients.

The Stock Exchange has agreed to the proposal. Some 13m. "A" will be held by the directors, with 7m. Ordinary being offered to the public. Details of the issue are to be published at the end of next week.

BIDS AND DEALS

Lamson forecasts £8.4m. profit

THE BOARD of Lamson Industries estimates that the group's pre-tax profits for 1973 will be approximately £8.4m., compared with £4.9m. last year, it is stated in the formal documents despatching the offer by S. G. Warburg on behalf of Moore Corporation for 19,028,915 further Lamson Ordinary shares.

If the partial bid of 100p a share is accepted in full, Moore's existing 20 per cent. holding in Lamson would be raised to more than 50 per cent.

In a letter to shareholders recommending the offer, Lamson's chairman, Mr. B. H. Pearce, says that since Moore and Lamson operate chiefly in different geographical areas, the closer association proposed should not result in any redundancies.

He also refers to a number of undertakings given by Moore, and listed in the document, one of which is that any transactions between Moore and Lamson and/or their respective subsidiaries will be carried out on an arm's-length basis. Mr. Pearce states that Lamson's shareholding in Moore is 500,000 shares, worth over £11m.

The offer is effectively for 40 per cent. of outstanding holdings in Lamson, but the document suggests that Lamson Ordinary holders should accept in full as a means of ensuring the success of the offer and to obtain maximum advantage from it.

Subject to retention of qualification shares, Lamson's directors plan to accept in respect of not less than 80 per cent. of their personal beneficial holdings, of 344,391 shares. At the same time, Mr. Pearce says, they have every hope that the scaling down which will take place in the event of a large number of shares being tendered will enable them to retain a substantial holding in Lamson.

ANDERTON-FORCO SAYS "WAIT"

A holding statement has been sent out to shareholders in Anderton-Forco by chairman, Mr. D. S. Fordyce, following the recent bid for the company by Aurora Gear and Engineering.

Mr. Fordyce says the terms are being considered by the Board, with its advisers, County Bank, "and we will advise you on the action you sh[illegible] that if Au[illegible] assuran[illegible] continuity of employment at the factories will be safeguarded.

Initially, Aurora acquired 29.83 per cent. of Anderton-Forco's equity and then sought majority representation on the Board. This was rejected by the Anderton-Forco Board, although discussions were subsequently held.

Mr. Fodyce says these were not fruitful and the Board, therefore, had "no alternative" but to place the matter before the Take-over Panel. It was after this that Aurora made its bid and announced also that its own holding, together with "certain shareholders" who had agreed to accept, accounted for 42.98 per cent. of Anderton-Forco shares.

UTD EXPANDS IN GERMANY

United Dominions Trust has acquired 87.5 per cent. of the German instalment credit bank **Einkaufskreditbank - Gesellschaft** for £2.2m., through its subsidiary, *UDT Europe*.

EKB is headquartered in Cologne and finances cars and consumer durables in North-Rhine Westphalia. It has 20 branches.

BERWICK-TIMPO PURCHASE

Berwick Timpo has acquired Peter Pan Playthings with effect from January, 1973, for £417,500—£250,000 cash and 236,238 Ordinary shares. Arrangements are in hand to place for cash 195,143 of the shares.

Peter Pan is a private manufacturer of toys and games and its acquisition will complement and enhance the range manufactured by Berwick Timpo. For 1972 its pre-tax profits were approximately £80,000 (after adding back certain non-recurring expenses).

FINLAY MERGER

Following its re-entry into the banking field on June 27, James Finlay and Co. had by September 30 some £15.23m. of banking deposits.

This is disclosed in documents outlining details of the proposed merger with Finlays of Teith Holdings, the Consolidated Tea and Lands Company, Cessnock Holdings and West Nile Holdings.

The merger, terms of which have already been announced, is to be effected by a scheme of arrangement, to be submitted to shareholders in all the companies at meetings on November 26.

See Lex

M[illegible] 19

UNIT TRUSTS

Cedar's three new trusts

Cedar Fund Managers—the new fund management subsidiary of the banking company Cedar Holdings—has launched three new unit trusts, Cedar British Trust, Cedar European Trust, and Cedar Overseas Trust. Each trust has a minimum investment of £100, but there is also a loan facility enabling the investor to purchase up to five times the number of units for which he has money available. The British Trust yields an estimated 2.46 per cent. gross and will invest in leading U.K. stocks; Cedar European yields 1.79 per cent., concentrating on France, Germany, Switzerland and Benelux; and Cedar Overseas will major on the U.S. with a yield of 1.01 per cent. The initial charge is 5 per cent. *in* each case, plus ½ per cent. per annum.

● **comment**

Cedar's main problem in launching into the unit trust field is that it does not have a fund management track record. However, it now has an investment management team and is probably starting its unit trusts at the right time from a market point of view. For comments on the loan scheme, see the unit trust column on page 3.

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JASCOT NORTH SEA

Jascot Securities is making an offer of Jascot North Sea units at a fixed price of 26.5p until November 12—or the daily price if lower. The minimum investment is £100 and the gross yield (automatically reinvested) is 2 per cent. Investment advice is derived principally from J. & A. Scrimgeour and the portfolio includes companies with financial interests in the North Sea in addition to exploration businesses.

● **comment**

With the Middle East oil crisis, Jascot North Sea is obviously a good trust to offer at the moment. Moreover, it has done a lot better than the All Share Index since it was launched a year ago—although original investors have seen little actual increase in the value of their holdings. This is a good way to have a stake in North Sea oil, but the size of the stake should be treated with discretion.

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SCOTFUNDS

Scotbits Securities (part of the Save and Prosper group) is making an offer in Scotfunds this week-end. The fund is intended for the larger investor with a minimum of £1,000 and the charges are lower than average—1½ per cent. initially plus ½ per cent. per annum. The portfolio is concentrated into a relatively small number of holdings (with an active switching policy) and is invested on a world-wide basis, though a third is in the U.K. The performance since inception in November, 1967, amounts to a rise of about 182 per cent. against 51 per cent. by the All Share Index.

● **comment**

One point which the Scotfunds advertisement makes which ought to interest the more well-heeled investor is that a unit trust is a more tax-efficient vehicle than investing on one's own account. Gains tax on internal switching is at a flat rate of 15 per cent. and when a unitholder disposes of his units at a gain he is entitled to a credit of 15 per cent. to set against his own liability.

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CRESCENT INTERNATIONAL

This week Crescent Unit Trust Managers are advertising the *Crescent International Fund* which has a minimum investment requirement of £250 (£1,500 for people who want the 6 per cent. withdrawal plan). The fund is invested on a world wide basis with the accent on the U.S. Yield is minimal but the overall performance of the fund has been good since inception in July, 1970 with a growth of almost 98 per cent. against 22.7 per cent. by the FT Ordinary Index.

● **comment**

Crescent International shares a quite widely held view that the U.S. market is probably the most attractive at the moment in terms of value. But it is just as well that the portfolio has a world-wide spread because Wall Street is always unpredictable and liable to the kind of nasty set-back it has received this week.

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ABBEY PROPERTY BONDS

Abbey Life Assurance is offering its Abbey Property Bonds this week-end. The minimum investment is £100, but to get the benefit of the annual 6 per cent. withdrawal scheme one has to invest at least £1,000—and £12,000 if the payments are required monthly. The fund is valued at £231m. and the offer price of the units has very nearly doubled since 1967.

● **comment**

Now that the Abbey Property Bond is such an enormous size the managers are obviously worried that the public will start to think of it as a lumbering mammoth which might be beaten to the punch by smaller funds. However, although Abbey clearly has to invest in properties of sufficient size to make an impact on the fund, it does not appear so far that this has slowed down its performance.

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TARGET 3-YEAR BONDS

Target Life Assurance is advertising the Target 3-Year High Income Bond with guaranteed income rates varying from 9.7 per cent. for a man aged 40 to 10 per cent. for an 80-year-old—net of income-tax at the basic rate. The minimum investment is £1,000 and the early surrender value is guaranteed not to be less than 90 per cent. of the purchase price.

● **comment**

Target's rates on the Target 3-Year Income Bond are competitive but the interesting feature is that the surrender value is linked to the value of a gilt-edged security and is guaranteed not to be less than 90 per cent. of the purchase price. This reflects the growing concern of absolutely guaranteeing surrender rates at a high level, although in fact the cash-in values could be more than 90 per cent.

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TRIDENT GILT EDGED

Trident Insurance is making another offer of Trident Gilt Edged Bonds which have a minimum investment requirement of £1,000. Depending on age, the bond guarantees the investor an income betwene 8.88 and 9.6 per cent. net of basic rate income tax over a 6-year period. If the bond is kept for the full term the return of the initial investment *is guaranteed*. But its unique quality is that the earlier surrender value varies according to the fortunes of the specific issue of Treasury stock on which the bond is based. Thus if interest rates fall one might get back more than the original investment even on early surrender. Conversely if thy stay at current levels or rise, one would receive less.

● **comment**

The recent gentle fall in interest rates makes the Trident Gilt Edged Bond look attractive though investors might prefer to go for a higher fixed guaranteed income bond while the current rates are still available.

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M & G EXTRA YIELD

M and G is making an initial offer in the M and G Extra Yield Fund—minimum subscription £500 at the starting price of 50p. The aim of the fund is to give an initial gross yield of 7½ per cent. and the long term hope is to keep pace with the All Share Index. The portfolio will have a wider than-average spread, taking in unfashionable sectors and recovery situations. Charges include a 2½ per cent. initial levy and ½ per cent. annual fee.

● **comment**

Unlike the other major unit trust groups who have been increasingly turning to ancillary products to interest the public, M and G has been keeping up the pace with new unit trusts. The M and G Extra Yield Fund is the latest and is intended as an income alternative to the current avalanche of fixed interest products.

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SAVEGUARD BONDS

Saveguard Assurance is making a limited issue of Saveguard Bonds. These are guaranteed income bonds for 5- or 10-year periods and with a minimum investment requirement of £1,000. Interest rates for the 5-year term vary from 9.48 per cent. at age 40 to 10.14 per cent. for the over 80s. The comparable rates on the 10-year bond are 9.7 per cent. and 10.96 per cent. Early surrender values depend on financial conditions prevailing at the time—but would be 95 per cent. in the first year if interest rates remain at their current level.

● **comment**

The rates on Saveguard Bonds look attractive, but investors should note the question-mark over early surrender rates. Companies are becoming generally less willing to give absolute guarantees on this score.

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Granley Security

Profits of Granley Security Group, makesr of burglar alarm systems, rose from £255,000 to £308,000 in the year ended August 31, 1973.

Earnings per share are given as 5.4p (3.2p). The final dividend is 1.5p gross, equal to 1.05p net, to make 2.5p as intimated in the March, 1972, offer for sale.

Members registered on November 20, are to be given the option, exercisable in respect of the whole or part of their holdings, to receive in lieu, of the final dividend a scirp issue on a basis that would give a market value for the new shares of approximately equal the cash dividend which would have been paid.

	1973 £000	1972 £000
Sales	1,103	858
Profit before tax	308	255
Taxation	145	99
Net profit	163	156
[illegible]	21	—
[illegible]	154	156
[illegible]	1	—
[illegible]	32	43

Fairdale interim

In the half year to July 31, 1973, Fairdale Textiles achieved a profit of £174,496 from a turnover of £2.07m. This is the first time interim figures have been produced.

As promised, interim dividends are initiated, the declaration being 11.43 per cent. gross, or 8 per cent. net. In the year to January 31, 1973, a single 34.125 per cent. was paid on a profit of £263,000.

Tax takes £81,450 to leave the half-year net profit at £93,046, of which £74,394 is retained.

ENG. & SCOTTISH

Class meetings and an extraordinary meeting of English and Scottish Investors have approved alterations to the Articles to provide for future annual capitalisation issues of "B" shares to be based on the actual dividend payable to the Ordinary holders instead of on the gross basis applicable before the new imputation system was introduced.

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BIDS AND DEALS—(Cont'd)

Mt. Charlotte bids for Gale Lister

EXPECTATIONS of a bid for Gale Lister and Company, Leeds-based wine and spirit merchants, restaurateurs and hoteliers, were rewarded yesterday with a £1.14m. offer by Mount Charlotte Investments, which is another of the hotel and catering interests of Mr. Maxwell Joseph, chairman of Grand Metropolitan.

However, the market was not pleased with the price offered and on the news the Gale Lister shares fell 7½p to 92½p, while Mount Charlotte gained ½p to 19½p. Rumours of a bid have increased with the build up by P. R. Grimshawe and Company, the investment bankers, of a sizeable stake in Gale Lister.

The terms offered—five shares for every one, valuing each Gale Lister at 98¾p—are agreed and the company's directors, together with Grimshawe, have indicated they intend to accept in respect of .9 per cent. of the shares. Other holders are urged to accept.

It is felt a merger will produce considerable benefits from integration, "bearing in mind the wide spread of their operations throughout the provinces." Together with its hotels, Mount Charlotte recently acquired the Workington Brewery, which owns 90 public houses in West Cumberland.

Gale Lister has been advised by Grimshawe, while Mount Charlotte's advisers have been Henry Ansbacher, who will post offer documents as soon as possible.

Lord Thomson stake in S.W. Canada

Slater, Walker of Canada announces that the Woodbridge company, owned by the family of Lord Thomson of Fleet, has agreed to purchase 305,000 Common shares of SW Canada. With shares already owned, this will bring the holding of Lord Thomson's family to over 10 per cent.

The vendor is Slater, Walker Securities and this will reduce its shareholding in SW Canada from 43 per cent. to 35 per cent. The sale is in line with its policy of encouraging substantial local participation in overseas associates.

Rankin and Windsor-Clive Dutch deal

Old Broad Street Securities announces that Mr. I. N. Rankin and Mr. R. A. A. Windsor-Clive and associates, have acquired, for an undisclosed sum, Content Beheer BV, of Amsterdam.

Content Beheer is a private company with two trading subsidiaries, one of which is claimed to be one of the largest employment agencies in the Netherlands for temporary secretarial employees, while the other is involved in executive recruitment.

The group's profits for the current financial year are expected to approach Fls.1.5m. (approximately £250,000).

In 1972 Mr. Rankin and Mr. Windsor-Clive became directors, with responsibility for financial advice, of Lindsay and Williams, a Manchester-based quoted manufacturing company. They both recently resigned from the Board following a take-over bid.

Anglian Food expansion

Anglian Food Group is buying Joice and Hill, which holds the franchise for the distribution in the Midlands and North of England of the Babcock breed of chickens.

Consideration for the acquisition, which is subject to approval of shareholders of Anglian, is £260,000—£50,000 cash, 200,000 Ordinary shares, and £130,000 of a new 10 per cent. convertible unsecured loan stock 1993. Each £100 of the loan will be convertible into 150 Ordinary on December 30, 1976 to 1980 inclusive.

ICFC has an option to acquire 15 per cent. of J and H for £30,000 cash and in that event the consideration will be adjusted accordingly. Listing will be sought for the new Ordinary but not at present for the loan stock.

Profit before tax of J and H for the year ended September 30, 1973, is estimated at £63,000 (£22,196) and net asset value at £260,000 after revaluation of properties.

Anglian has also further strengthened its position in the egg laying sector by acquiring from Kimber Farms for a nominal consideration and the repayment of loans totalling £7,500, the outstanding capital of Kimber Breeding not already owned by Anglian. Kimber is the exclusive distributor in the U.K. for the Kimbrown chicken which is sold to producers of brown eggs.

Agreement has also been reached for Anglian to acquire Crookes Veterinary a wholly-owned subsidiary of Boots. Crookes are distributers in the U.K. and Eire for a range of ethical veterinary products—a manufacturing agreement will be concluded for continued supply of those products at present manufactured by Boots, and Anglian will manufacture from early 1974 a calf pneumonia vaccine which is one of the major products sold by Crookes and will also supply all Boots' requirements for this product in the export field.

Consideration, amounting to approximately £260,000, will be payable in instalments over the ensuing year and will be satisfied in cash out of existing bank facilities. Profits before tax of the Crookes U.K. business being acquired for the 12 months ended March 31, 1973, excluding Boots group administration charges no longer applicable, amounted to £55,000.

IMPS LIFTS STAKE IN GLENLIVET

Imperial Tobacco, whose subsidiaries include the Courage brewery group, has lifted its holding in Glenlivet Distillers to 15.44 per cent. from 11.5 per cent. Imps said it was now the owner of 1,176,371 shares. The news left Glenlivet shares unmoved in the stock market, where the price was 236p, which values Imps' stake at £2.78m.

JESSEL-PUNDALOYA

Jessel Securities is to bid 40½p a share in cash for shares it does not already own in Pundaloya Holdings, which operates tea estates in Sri Lanka. The offer values Pundaloya at about £294,000.

Jessel has just acquired a 28.8 per cent. stake in Pundaloya on behalf of associates, and Eastern Produce (Holdings), the plantations concern which is a Jessel associate, owns a further 30 per cent. Thus, the offer is being made in compliance with the Takeover Code.

Mr. C. H. Bois, Mr. J. B. Blanchard and Mr. E. N. Newby have retired from the Pundaloya Board. Mr. Mark St. Giles has been appointed a director and chairman and Mr. T. K. Faris and Mr. A. J. Laughland have been appointed directors.

THF BUYS SWAN HOTEL GRASMERE

Trust Houses Forte has bought the Swan Hotel, Grasmere from Mrs. Gertrude Gibson.

The purchase includes 19 acres of land with planning permission to build a further 40 rooms.

GIBBONS DUDLEY TO BUY NE BRICK

Gibbons Dudley announces that its subsidiary, Gibbons Refractories, is to acquire for cash the Northern England Brick Company, which has 11 brick making plants in Northumberland and Durham, from the National Coal Board.

Consideration is £850,000 for the fixed assets plus an additional amount based on a valuation of stocks and work to be taken over. In total—with additional working capital—the investment will be about £1.5m.

Pre-tax profits of Northern England for the year to March 31, 1973 were £265,000.

DUNBEE-COMBEX

The Dunbee-Combex-Marx acquisition of a £120,000 stake in the Australian quoted company, R. B. Davies Industries, is still subject to consent from the U.K. and Australian authorities.

ASSOCIATES DEALS

On Thursday, Laurie Milbank bought 185,000 Keizer Venesta at 106p on behalf of Venesta International.

De Zoete and Bevan bought 17,274 James Warren at 290½p and sold 17,666 at 290p—both for associates of James Warren.

E. IRELAND BUYS JOHN BOND

Ernest Ireland is concentrating its expanding specialist joinery and shopfitting activities under unified control from Bath by Mr. R. Justham, former managing director of Colston Shopfitting, and now incorporated within the Ireland Group. To this end John E. Bond, of Paignton, which specialises in similar activities, has been purchased for £55,000 cash.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

It has been another active week in the bids and deals sector. **Dunford and Elliott** is making an agreed £3.5m. bid in shares and 9¼ per cent. Convertible Loan stock for **Brown Bayley Steels**. There is an alternative offer in 12¼ per cent. Unsecured Loan stock which the DTI is accepting in respect of its 50.08 per cent. equity interest in Brown Bayley. The DTI's holding was a legacy from the former Industrial Reorganisation Corporation.

Aurora Gear and Engineering is offering a package of Ordinary and Convertible Cumulative Redeemable Preference shares for fellow engineering concern **Anderton-Force**, which places a value of £3.1m. on the latter. Aurora already owns about 30 per cent. of the A-F equity and certain A-F shareholders have agreed to accept in respect of a further 13 per cent.

Royal Worcester, the china and ceramics group, is making an expansion move into electronic components with an agreed *78p per share cash offer for* **Colvern**. **RW** has already acquired a 43.7 per cent. holding in Colvern from the latter's directors and their family interests. **Partridge and Love** is recommending a shares and Convertible Loan offer worth £1.9m. from **Reed and Smith**. **Courtaulds** is bidding *37p cash per share for the 45.5 per cent. of* **Cook and Watts** *not already owned.* **Keizer Venesta** has given its approval to a 106p a share cash offer from **Venesta International** for the 27 per cent. minority interest not presently held.

The acquisition-minded **Tremletts**, whose shares have been suspended since early March, is now discussing with **Tower Assets**, the furniture, timber and property group, a possible bid for the latter. **Slater Walker** and associates have already sold their 27.6 per cent. holding in Tower Assets at 90p per share to Tremletts. Tower Assets closed yesterday at 95p, capitalising the company at £11.8m.

The DTI has referred to the Monopolies Commission the possible bid from **Davy International** for **British Rollmakers** which, if put into effect, would leave a merged group with 95 per cent. of the U.K. rollmaking market. British Rollmakers is strongly opposed to an amalgamation but Davy has already built up an approximate 30 per cent. stake in the former. The talks recently announced by **W. G. Allen** which might have led to a bid have been terminated.

Company	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated						
Aberdare Hldgs.	15*	15	11¼	2.9*	Hwkr.-Sddly.	14/11
Anderton-Force	105*d	102	100	2.2*d	Aurora Gear	—
Brown Bayley Steels	74	73	67	3.3	Dunford and Elliott	—
Baxter (W. H.)	264	250	100	0.2	WGI	14/11
Bickley (J. & S.)	36b	35	31	1.0	Debenhams	—
Calgary & Ed. Lnd.	38d	37	27	1.9d	Bank & Com.	6/11
Cessnock Hldgs.	177	200	130	1.3	James Finlay	—
City of Aberdeen Land	800*d	£10½	£3½	0.4*d	Greencoat Props.	—
Colvern	78*d	73g	68	1.1*d	Royal Worcstr.	—
Combined Austin Samuel	56½	55	42	4.6	Scotia Invs.	—
Cons. Tea & Lands	209	225	170	2.5	James Finlay	—
Cook and Watts	37*d	36	22½	1.1*d	Courtaulds	—
Cornwall Propy.	125	114½	111	28.0	Argyle Secs.	—
Court Hotels	140*e	123	140	0.9*c	Tollman Hotels	—
Dundee Perth & London	99	95	57	6.8	Charrington Gardner	14/11
Fothergill and Harvey	100d	106	80	3.2d	Jones Stroud	—
Gloucester and Chelt Greyhnds.	65*	65	65	0.6*	Mr J G Walker & Mr R C Watson	—
Grampus	56½	53	47	0.9	Scotia Invs.	—
Grendon Trust	315*	306	300	21.2*	CST Invests.	15/11
Griffiths Bentley	26	24	24	14.5	Bristl St. Gp.	11/10
Hill (R. Wylie)	120*	115	96	2.4*	Jhn. Menzies	21/11
International Secs.	48	33	35	1.7	English and Overseas Invs.	—
Inveresk Group	60	66	60½	7.8	Londn. & Cnty.	—
Keizer-Venesta	106*d	105	101	2.1*d	Venesta Intl.	—
Kier (J. L.)	168	164	166	10.0	French (W. & C.)	—
Lamson Inds.	100*c	87	71	19.0*c	Moore Crpn.	23/11
Lookers	50*	50½	48	3.2*	Griw. Hdgs.	14/11
McLean (John)	132	113	79	9.1	Tarmac	—
Maclehose	40*	45‡	45‡	0.4*	Howard and Wyndham	—
Metropolitan Tst.	185	179	156	51.1	Guardn. Royal Exchange	—
Northborough Inv. Tst.	115*	140	137	3.9*	Dowgate and General	—
Partridge & Love	167g	162g	154	1.9g	Reed & Smith	—
Pope and Pearson	320*d	320‡	205	0.3*d	Coltness Group	—
Reeves (F. J.)	156	148	94	14.3	Thos. Tilling	—
Slater Walker Inv. Tst. (SA)	50	50	54	6.2	Tokengate Inv.	—
Sternol	115*	115	90	0.3*	Elf Union	—
Sturge (J. & E.)	90	100	87	4.0	Croda Intl.	—
Surinvest Hldgs.	95¼*	110	83	0.5*	Parambe	—
Teith Hldgs.	395	380	312	3.8	James Finlay	—
Warner (Robert)	£11½bd	£12½	£10½	10.0bd	Invest. & Prop. Hldgs.	—
Warner (Robert)	£12½*	£12½	£13½	13.3*	Mr. Reeves/ Mathsn. & Co.	—
Warren Rubber	300bd	63‡	63‡	0.8bd	Warren (J.)	—
West Nile Hldgs.	358	340	265	2.4	James Finlay	—
Whitehouse (G.) (Eng.)	27*d	26	22	0.2*d	Columbus Tst.	—
Wilkinson Sword	76	73	69	4.8	British Match	5/11
Wilknsn. Sword 'A'	69	64½	57½	13.4	British Match	5/11

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 2/11/73. k Based on 1/11/73. ‡ At suspension. † Bid.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Attributable* Pre-tax per share (p)		Dividends* per share (p)	
G. Brady	Mar. 31	572	(576)	13.7	(15.8)	6.873	(6.873)
British Industrial	June 30	2,870	(1,143)	23.0	(9.1)	2.0	(1.8)
Brooke Bond Lbg.	June 30	19,262	(14,293)	14.3	(10.8)	3.018	(2.873)
Bukit Mertajam	June 30	193	(110)	2.2	(1.2)	1.25	(1)
Montague B. Prop.	Aug. 31	723‡	(—)	1.9	(—)	1.5‡	(—)
Central Manufng.	July 31	1,955	(1,325)	10.3	(7.1)	2.888	(2.75)
Construction Hdgs.	June 30	109	(121)	11.4	(12.7)	7.86	(7.5)
F. Copson	Apr. 30	93	(85)	7.6	(6.9)	2.23	(1.875)
R. & G. Cuthbert	June 30	347	(95)	7.4	(2.0)	2.266	(1.3)
Dunford & Elliott	July 31	2,137	(1,531)	21.8	(15.5)	3.926	(3.73)
Fairbairn Lawson	June 30	156	(149)	2.9	(2.8)	2	(Nil)
Fairfax Jersey	June 30	342	(445)	11.4	(14.8)	4.75	(4.75)
Hartley Baird	Apr. 30	77	(161)	0.6	(1.2)	Nil	(Nil)
J. Hepworth	Aug. 31	4,571	(3,109)	54.8	(36.6)	16	(11)
Highland Electncs.	Apr. 30	237	(266)	2.7	(3.0)	1.5	(1.5)
Higsons Brewery	Sept. 30	1,094	(892)	21.7	(17.7)	4.593	(4.375)
Mitchell Cotts. Trns.	June 30	727r	(610)	10.9	(9.1)	3.625r	(—)
Wm. Low	Sept. 1	812g	(613)	11.7	(8.8)	2.8g	(—)
Lyndale Engnrng.	June 30	101p	(—)	2.3	(—)	1.5	(—)
M.Y. Dart	June 30	775	(515)	7.2	(4.8)	1.82	(1.733)
Peters Stores	June 30	349d	(305)e	12.7	(11.1)	5f	(—)
Sime Darby Hldgs.	June 30	10,833	(5,268)	7.2	(3.5)	1.8	(1.5)
Sirdar	June 30	842	(835)	10.7	(8.0)	3.038	(2.92)
Town Centre Secs.	June 30	380	(290)	3.5	(2.7)	1.771	(1.688)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Adda Internatnl.	June 30	247	(—)	0.42§	(—)
Aquascutum	July 31	317	(222)	—	(—)
Ariel Industries	May 31	173	(—)	0.45†	(0.5)
Astbury & Madel'y	June 30	107	(93)	0.275†	(0.375)
Ayrshire Metal	June 15	221e	(98)	0.875†	(0.873)
Barker & Dobson	Sept. 29	774	(1,403)	0.77	(1)
Berkeley Hambro	June 30	1,325	(1,089)	1.61†	(2)
Border Breweries	Aug. 31	305	(273)	0.735†	(1)
BPB Industries	Sept. 29	4,577	(4,697)	2.8†	(4)
Bradford Property	Oct. 5	857	(836)	2.35†	(3.4375)
Dale Electric	June 30	373h	(345)	1.4§	(—)
De La Rue	Sept. 30	4,133	(2,666)	1.8375†	(2.5)
De Vere Hotels	Sept. 30	610q	(905)	1.575†	(2.273)
Down Bros.	June 30	404	(337)	0.7†	(1)
John Finlan	June 30	78	(381)	1.75†	(2.5)
Gieves Group	July 28	212	(118)	0.7875†	(1.125)
M. P. Harris	June 30	505	(—)	0.2§	(0.175)
James Harrison	June 30	98	(121)	0.7†	(1)
Hoover	Sept. 30	14,948	(12,290)	—	(—)
Huntleigh Inv.	June 30	146j	(84)	0.42	(0.4)
Internatl. Property	June 30	232	(—)	—	(—)
Edward Jones	June 30	62	(56)	—	(—)
Lanca	June 30	59L	(—)	Nil	(Nil)
Lankro Chemicals	Aug. 31	531	(303)	1†	(1.14)
L. Lipton	June 30	111	(35)	0.875†	(0.75)
London & Provl.	June 30	500	(289)	2.45†	(3.25)
Macdonald Martin	Sept. 30	324	(239)	2.1†	(3)
Maple Macowards	Aug. 18	435k	(419)	0.7†	(1)
John Menzies	Aug. 4	824	(769)¶	1.7†	(2)
Mothercare	Sept. 29	2,616	(1,911)	0.8†	(1)
Penrad Group	June 30	38	(27)	0.875†	(1.25)
Polly Peck	Sept. 19	297	(168)	0.35†	(0.5)
P'mouth & Sudlnd.	Sept. 30	895	(442)	—	(2.5)
William Press	June 30	495L	(819)	0.245†	(0.35)
Reed International	Sept. 30	27,600	(17,700)	4.2r	(5.714)a
Richards (Le'ster)	June 30	80	(102)	0.875r	(1.25)
Rowntree Mackin.	June 16	4,060c	(5,900)	1.125†	(2.5)
St. Helens Secs.	Sept. 30	94	(85)	Nil	(Nil)
Scott & Robertson	Sept. 1	436m	(427)n	0.6971	(1.125)
Scottish Heritable	June 30	106	(71)	0.65§	(0.46)
H. C. Slingsby	June 30	70	(—)	0.6125†	(0.873)
Steel Brothers	June 30	860	(414)	2.94†	(4)
Tower Assets	July 31	2,066	(390)	0.35†	(0.5)
United Carriers	July 31	585	(630)	0.49†	(0.673)
Westdock Group	June 30	57b	(39)c	—	(—)
Western Credit	Sept. 30	183o	(179)	—	(—)

(Figures in parentheses are for corresponding period.)

* Adjusted for any intervening scrip issue. † Net—against gross. ‡ Compared with November, 1972, prospectus forecast of profits not less than £602,000 and 1.4375p total. § Net. ¶ Not strictly comparable. a Includes 0.714p special interim. b For six months. c For 24 weeks. d For 52 weeks. e For 53 weeks. f Compared with 4p gross total forecast in June, 1972, offer for sale. g Compared with profits not less than £700,000 and 2.67p dividend forecast in May, 1973, offer for sale. h Made public November, 1972. Upgrading forecast from not less than £600,000 to in excess of £611,979 profits for year. i Third quarter figures. j Forecast £330,000 (£229,807) profit for year. k For 28 weeks. l Net—against gross. Forecast 2.0672p (1.9688p) gross total. m For 26 weeks. n For 27 weeks. o First quarter figures. p For 15 months. Compared with December, 1972, prospectus forecast of profits not less than £92,000. q For nine months. r Compared with April, 1972, offer for sale forecast of £700,000 profits and 3.625p gross dividend. L Loss.

Scrip Issues

Bank of Scotland: One-for-one.
F. Copson: Two-for-one.
Town Centre Securities: One-for-one.

BANK BASE RATES

Allied Irish Banks Ltd.	11 %
Anglo-Eastern Bank	11½%
Anglo-Portuguese Bank	11 %
Henry Ansbacher	11 %
Audley Holdings Ltd.	11 %
Banco de Bilbao	11 %
Bank of Cyprus	‡11½%
Barclays Bank	11 %
■ Wm. Brandt's	11 %
Brit. Bk. of Commerce	11½%
Brit. Bank of Mid. East	11 %
■ Brown Shipley	11½%
Cedar Holdings	11 %
■ Charterhouse Japhet	11 %
Choulartons	11 %
C. E. Coates	11½%
Consolidated Credits	11 %
Co-operative Bank	*11 %
Corinthian Securities	11 %
Credit Lyonnais	11 %
G. R. Dawes	11 %
Dawnay Day	11½%
Duboff Brothers	11 %
Dunbar and Co. Ltd.	11½%
Duncan Lawrie	11 %
English Transcont.	11 %
First Maryland	11½%
FNFC	11½%
■ Antony Gibbs	11 %
Gresham Trust	11½%
Greyhound Guaranty	11 %
■ Guinness Mahon	11 %
■ Hambros Bank	11 %
Hawtin & Partners	11 %
■ Hill Samuel	§11 %
C. Hoare & Co.	†11 %
Julian S. Hodge	11½%
Italian International	11½%
Jacobs, Kroll	11½%
Keyser Ullmann	11 %
Kinghurst Securities	11½%
Lloyds Bank	11 %
London & County Sec.	11½%
London Cavendish	11½%
London Mercantile	11½%
Midland Bank	11 %
■ Samuel Montagu	11 %
Moorgate Mercantile	11 %
■ Morgan Grenfell	11 %
Morris Wigram Ltd.	11½%
National Westminster	11 %
Northern Comm. Trust	11½%
Portman Guaranty	11½%
■ Rea Brothers	11½%
P. S. Refson & Co.	11 %
■ N. M. Rothschild	11 %
St. Mary Axe Finance	11½%
E. S. Schwab	11 %
Security Tst. Co. Bhm.	11½%
Shenley Trust	11 %
Standard Guarantee	11½%
Sterling Credit	11½%
Sterling Industrial Sec.	11½%
Swiss-Israel Trade Bk.	11 %
Twentieth Century Bk.	11 %
Wallace Bros. Sasson	11½%
Whiteaway Laidlaw	11 %
G. T. Whyte	11 %
Williams & Glyn's	11 %
Wintrust	11½%

■ Members of the Accepting Houses Committee.
* 7-day deposits 9½%; 1-month 9½% £10,000 and over, 9½% below.
† 7-day deposits — £10,000 and under 9½%; up to £25,000 9¾%; over £25,000 10%.
§ Demand Deposits 10% £10,000 and over, 9½% under £10,000.
‡ Linked to M.L.R.

INSURANCE BASE RATES

† Atlantic Assurance ... 13½%

† Address shown under Insurance and Property Bond table.

RECENT ISSUES

EQUITIES

Issue price p	Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price p	+ or −	Div. % or Amount	Times Covered	Gross Yield	P/E Ratio
—	F.P.	—	47½	45¾	Archimedes Inv. Inc.	45¾	—	Q16	—	9.6	—
—	F.P.	—	67	66	Do. Cap 60p	66	—	—			
57	F.P.	—	67	62	Austin (James) Steel	64	—	b14	2.4	7.8	7.7
‡	F.P.	—	140	110	BG Securities (50c)	110	−5	c13	1.6	7.5	8.9
♦	F.P.	—	£23½	£21¾	BnkAm'ricaCrp$3.125	£22¼	—	$1.14	—	1.6	—
♦	F.P.	—	£19¾	£15½	Bell & Howell	£15½	−⅞	84c	—	2.2	—
♦	F.P.	—	£26	£24½	CieFrancesPetroles'B'	£25	−¼	18 Fr	2.5	4.7	12.8
♦	F.P.	—	£19⅝	£17	ColumbiaB'gSys$2.50	£17⅛	−1	$1.46	—	3.5	—
♦	F.P.	—	£21	£20½	C'p'u'hnHa'n'L'k'B'-B	£20½	—	s11	3.0	3.9	8.4
♦	F.P.	—	£23	£22¼	Distill'rsCrpSgrm.C$1	£22	−⅛	$1.20	—	2.3	—
♦	F.P.	—	£34⅞	£32⅝	General Elect. Co.	£32¾	−⅝	$1.68	—	2.0	—
♦	F.P.	—	£18¼	£18	Guard. Mort. Invs. II.	£18	−⅛	$4.08	—	5.6	—
35	F.P.	—	50	47	Hanover Grand (5p)	47	—	19.9	2.0	3.0	24.1
♦	F.P.	18/5	129	127	Nth. Brit. Prop. (Cap)	129	—	—	—	—	—
♦	F.P.	—	95	88	Ovenstone Inv. (12½c)	90	—	b10c	2.2	6.8	6.7
160	F.P.	26/10	163	160	Prince of Wales(S'port)	160	—	b9.5	3.1	2.3	20.2
—	F.P.	—	240	230	RTZ (Accum)	230	−1	—	—	—	—
♦	F.P.	—	118	115	Rapp & Maister (5p)	118	+3	Q6.15	†1.5	3.9	17.2
♦	F.P.	—	£25	£23	Richardson, Merrell	£23¾	−¼	$1.65	—	1.5	—
♦	F.P.	—	£23	£23	St-Gobain Pm. (Fr. 75)	£23	—	Q9¼	3.5	0.5	39.6
♦	F.P.	—	840	810	Saul (BF) Inv. Tst. $10	815	−5	—	—	—	—
♦	F.P.	—	21	20	Totalisator & Grey. 5p	21	—	Q14	2.3	3.3	18.7
10	nil	22/11	73	20	Town&City war.forord	73	+9	—	—	—	—

Issue Price	Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price £	+ or −
US$100	F.P.	—	101	100½	Burm. Corp. 9% $ Bds. 1981	101	—
100	F.P.	—	104½	100½	General Elect. 6½% Sterl. $ Cnv. 85/95	104	—
‡‡	F.P.	24/5	94½	89½	Grendon Trust 11% Uns. 78/81	89½	—
‡‡	F.P.	—	102¾	101¼	Inchcape 12¼% Uns. Ln. 93/98	102¼	—
$100	F.P.	—	$100½	$101	Lancs. C.C. 9¼% US$ Bds. '78-81	$100	—
£100	F.P.	1/12	97½	95	Met. Estates 8½% $ Bds.	97½	—
$99	F.P.	—	$99	$99	Nat. Coal Board 8¾% Gtd. Bds 1988	$99	—
‡‡	F.P.	—	87	82	Reed Intl 10% Uns. 2004/9	85½	—
£100	F.P.	—	83¼	79	Rolls-Royce Motors 8% Cnv. Uns. Ln. 97/2002	83	—
£91	[illegible]	—	25½	25¼	Sunderland & S'th Shields Wtr. 10½% Red. 1983	25½	—
♦	F.P.	23/11	127	100½	Tower Assets 10% Conv. Loan 1985	127	+2

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date †	Latest Renunc. Date ‡	Stock	Closing price p	+ or −
35	nil	—	—	Peak Invs.	nil	—
145	F.P.	5/10	5/12	Robinson (G.A.)	144	—

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital; cover based on dividend on full capital. p Pence unless otherwise indicated. ‡ Figures based on prospectus or official estimates for 1972. P Figures based on prospectus or other official estimates for 1971. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ● Issued by way of rights. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ‡ Introduction. ♦ Issued to former Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. ‡ With warrants.

FIXED INTEREST STOCKS

Issue Price	Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price £	+ or −
—	F.P.	—	85	85	Bristol Street 8½% Cnv. Uns. 93/98	91	—
—	F.P.	—	97	92	Brit.-Dredging 6% Cnv. Uns. 93/98	97	—
$100	F.P.	—	88½	88½	Cap & Cnts 9% $ Bds. Guar. 1988	88½	—
—	F.P.	—	100½	100	Dundee Corp. (City of) 9½% Bds. 1985	100	—

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Still falling: 52 loss on week

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Nov. 2.

PRICES FELL steeply on Wall Street again to-day, in a week of severe losses, reflecting the Middle East oil supply embargo.

The Dow Jones Industrial Average dropped another 13.55 to 935.28, making a fall of 51.78 on the week, while the NYSE All Common Index, at $57.61, lost 33 cents on the day and $2.29 on the week. Losses led gains by 956-to-467, while the trading volume further decreased 580,000 shares to 16.34m.

Major Chemicals met heavy selling. Du Pont dropped $6¼ to $178¼.

Pacific Petroleums dipped $3⅜ to $33⅞. Phillips Petroleum rose $1⅛ to $8⅞, although results so far from its Winnie Wildcat well in the North Sea "do not look encouraging." It raised wholesale prices of gasoline and diesel fuels nationwide by three cents per gallon.

Exxon lost $2 to $93, but Standard of Ohio picked up $5½ to $166½, and Natomas rose $3½ to $67½. Superior Oil were down $5 to $300.

...Steels generally eased while Motors were narrowly mixed.

Levi Strauss dropped $7½ to $21½ on revised estimates showing a loss in the fourth quarter ending November 25.

Also in the news, unemployment fell in October to 4.5 per cent. from 4.8 per cent. in September.

The American Market Value Index fell 2.02 to 106.56 for a loss of 2.14 on the week.

Canadian Oils were weak. The Canadian Energy Minister said the Export Tax on Canadian crude oil moving to the U.S. will be increased next month to $1.90 a barrel from 40 cents a barrel.

Husky Oil lost $3½ to $27½—Kewanee Oil, up $1 to $21½, is conducting "broad and general discussions toward a possible affiliation" with Husky.

OTHER MARKETS

Canada lower

Canadian Stock Markets turned lower in active trading yesterday morning.

The Industrial Index was down 1.76 to 235.29, Western Oils fell 16.42 to 278.60, Base Metals lost 1.10 to 109.49, Utilities shed 0.97 to 148.17 and Papers declined 1.12 to 290.40.

158.34. But Golds rose 1.83 to 298.34 and Banks firmed 0.03 to

Imperial Oil reacted $3⅜ to $44⅛. Husky Oil were off $1⅜ to $27½. Pacific Petroleum declined $2⅜ at $34⅛, Home Oil "A" were down $3½ at $53⅜ and Dome Petroleum dropped $3½ at $41½.

PARIS—Narrowly lower in slack trading. Banks and Portfolios were irregular.

The new 4.5 per cent. State Loan (replacing the Pinay Bond) was quoted at around Frs.285.

BRUSSELS—Closed yesterday for All Souls' Day.

OSLO—Quiet but steady.

VIENNA—Mainly unchanged.

COPENHAGEN—Broadly lower in moderate dealings.

AMSTERDAM — Internationals eased. *Local issues mixed and very quiet.*

MILAN — Generally higher in fairly active trading.

Bonds also higher in moderately active trading.

SWITZERLAND — Narrowly mixed in moderate trading. Decision of National Bank to raise minimum reserve requirements had little impact on markets. Major Banks slightly firmer, Insurances narrowly mixed.

In Chemicals, Lonza rose Frs.20 to Frs.2,080 on takeover rumours.

GERMANY—Prices eased in dull pre-week-end trading.

Motors lost up to DM3.70, Stores up to DM3 and Steels up to DM2.

The two major Bavarian Banks fell DM7 each.

Public Bond issues in strong demand, with 10 per cent. issues quoted between DM102.75 and DM102.90.

TOKYO—Market staged fair recovery on selective buying. Volume 100m. (150m.) shares.

Blue Chips led the recovery, with TDK Electronics up Y80 at Y1,160 and Pioneer Y35 at Y945.

AUSTRALIA—Prices continued in slow trading.

Poseidon fell 40 cents to $A5.60.

Coppers eased, with Peko-Wallsend shedding 10 cents to $A5.30.

Kathleen Investments added 2 cents at 88 cents, but Great Boulder shed 3 cents to 82 cents.

Comalco dipped 3 cents to $A2.55.

JOHANNESBURG—Gold shares quiet but firm following higher London bullion price.

Platinums slightly easier. Other Metals little changed.

Mining Financials slightly harder.

Industrials quiet but steady.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport †	Indus *	Util. ⊕	Trading volume* 000's
Nov. 2	73.02	180.01	935.28	96.32	16,340
1	72.92	180.79	948.83	98.80	16,920
Oct. 31	73.09	182.25	956.58	99.37	17,890
30	73.06	182.10	968.54	100.75	17,580
29	73.11	186.20	984.80	101.56	17,960
26	73.07	184.86	987.06	101.16	17,800
25	73.06	183.42	974.49	100.59	15,580
24	73.08	182.84	971.85	100.30	15,840
23	73.02	181.83	966.51	99.50	17,230
22	73.23	182.26	960.57	99.15	14,290
19	73.20	185.38	963.73	99.37	17,880
18	73.06	183.88	959.74	99.63	19,210
17	73.16	184.00	962.52	100.62	18,600
16	73.20	185.46	967.41	101.06	18,780
15	73.12	182.99	967.04	101.90	16,160
1973 High	75.54 (16/1)	228.10 (2/1)	1051.70 (11/1)	120.72 (2/1)	—
Low	71.55 (15/8)	151.87 (22/8)	851.90 (22/8)	84.55 (16/8)	—

* All-time high 1051.70 (11/1/73).
‡ All-time high 279.88 (7/2/69).
⊕ All-time high 163.22 (20/4/65).
† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Oct. 26	Oct. 19	Oct. 27, 1972
3.42	3.50	3.50

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1973 High	1973 Low	Fri.	Thurs.	Wed.	Tues.	Mon.
65.48 (11/1)	56.56 (6/7)	57.61	57.94	58.89	58.65	58.77

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,754	467	956	361

	Fri.	Thurs.	Wed.	Tues.	Mon.
New Highs	19	15	20	30	27
New Lows	58	58	26	22	5

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

	1973 High	1973 Low	Fri.	Thurs.	Wed.	Tues.	Mon.
	109.82 (12/10)	93.75 (17/8)	106.56	108.58	109.25	109.52	109.51
Volume (000's)			2,721	2,890	2,880	2,850	3,297

STANDARD AND POORS U.S. STOCK INDICES

	*Ind. Ord.	†Composite
Nov. 2	120.34	107.07
1	121.05	107.69
Oct. 31	121.72	108.29
30	122.93	109.33
29	125.08	111.15
26	125.34	111.38
25	124.31	110.50
1973 High	134.09 (5/1)	120.17 (5/1)
1973 Low	112.97 (22/8)	108.53 (22/8)

* 425 Industrials. † 425 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Oct. 31 1973	Oct. 24 1973	Nov. 2 1972
Ind. Ord. yield pc	2.82	2.76	2.52
Ind. Ord. p/e ratio	15.62	15.92	19.57
Long-term Govt. Bds. pc	5.85	5.90	5.83

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Middle S. Ut.	250,300	19½	−⅛
Ryder Systems	164,300	33½	−⅛
Chrysler	163,300	21⅜	−⅛
Ramada Inns	150,700	7⅛	−1
Brit. Petroleum	149,500	13⅛	—
Deese	137,100	33⅛	−1⅛
ALCOA	126,900	73⅛	−1⅛
Union Carbide	124,800	39⅛	−1
First Nat. City	123,600	48⅛	−⅛
Monsanto	119,200	63⅛	−1½

TORONTO

INDUSTRIAL INDEX

Nov. 2	Nov. 1	1973 High	1973 Low
234.46	237.05	237.98 (29/10)	202.43 (22/8)

MONTREAL

INDUSTRIAL INDEX

Nov. 2	Nov. 1	1973 High	1973 Low
262.84	271.31	271.31 (1/11)	206.83 (22/8)

COMBINED INDEX

Nov. 2	Nov. 1	1973 High	1973 Low
242.93	249.16	249.16 (1/11)	206.83 (22/8)

JOHANNESBURG

	Nov. 2	Nov. 1	High	Low
Industrials	269.8	269.2	282.1 (10/7)	246.5 (2/10)
Gold	196.2	196.8	237.7 (6/1)	191.9 (31/10)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Nov. 1	Oct. 25	Oct. 18
On Dividends	5.20	5.35	5.36
On Earnings	8.71	8.88	8.90

SYDNEY ALL ORD. INDEX

Nov. 2	Nov. 1	High 1973	Low 1973
492.92	495.45	557.26 (19/1)	459.88 (4/10)

HONG KONG INDEX⊕

Nov. 2	Nov. 1	High 1973	Low 1973
620.05	617.09	1,774.96 (9/3)	491.77 (12/10)

SINGAPORE INDEX§

Nov. 2	Nov. 1	High 1973	Low 1973
346.59	341.67	611.56 (15/2)	289.71 (4/9)

TOKYO NEW SE INDEX†

Base=100 January 4, 1968.

Nov. 2	Nov. 1	Div. %	Yield %
348.72	347.01	11.90	2.07

	High	Low
1973	422.48 (24/1)	340.11 (26.4)

* New index.

EUROPE

	Nov. 2	Previous	1973 High	1973 Low
Belgi'm (m)	(c)	136.04	142.33 (22/8)	123.11 (2/1)
Denm'rk (o)	115.27	116.34	128.95 (10/8)	116.34 (1/11)
France (bb)	87.8	87.9	89.6 (29/10)	78.6 (5/1)
Germany*	93.69	93.98	120.71 (23/3)	89.90 (27/7)
Holland (o)	146.4	145.7	171.9 (13/4)	140.6 (21/8)
Italy†	197.00	195.67	147.28 (19/9)	98.26 (15/2)
Sweden (p)	363.60	362.81	389.84 (10/7)	342.41 (11/10)
Switz'l'd **	370.8	382.2	480.1 (27.1)	338.0 (4/1)

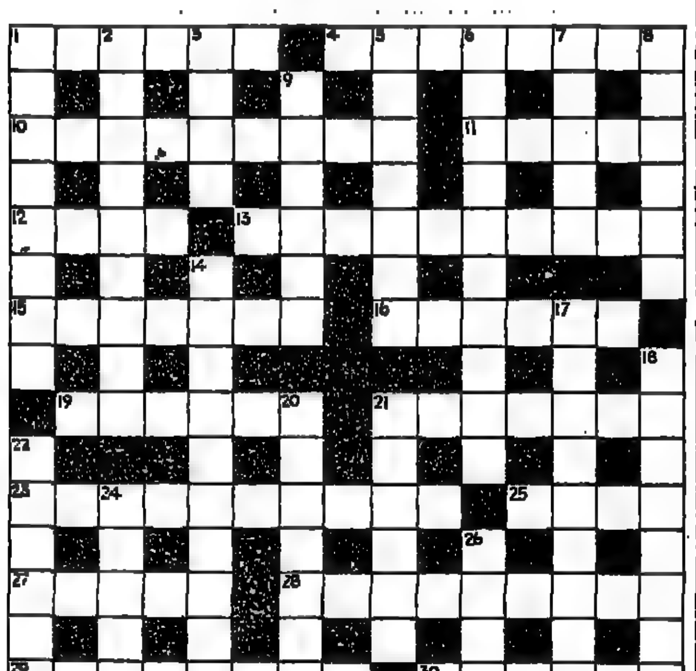
* Herstatt Index Base Dec. 31, 1959. ‡ Base 100 Jan. 2, 1973. ** Swiss Bank Corporation Index base 100 Dec., 1966. (c) Closed. (m) Base 1963. (o) Base 100 1963. (p) Base Dec. 29, 1956. (bb) Paris Bourse Committee, base 100 1961. (d) Base 100 January 1, 1972. † Base 100 Jan. 4, 1968. ⊕ Hang Seng Bank, base 100 July 31, 1964. § Straits Times Industrial, base 100 1966.

F.T. CROSSWORD PUZZLE No. 2,317

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



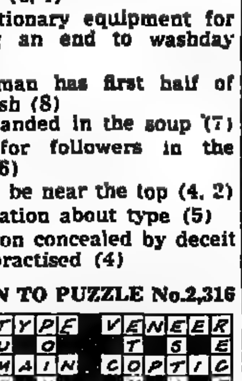
ACROSS

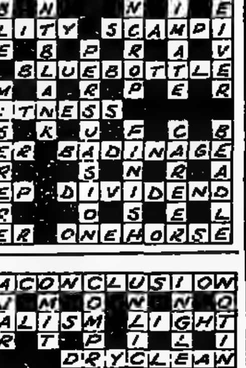
1 Stocks for early redemption of athletic wear (6)
5 Croat (sic) makes up word puzzle (8)
10 Space for putting accommodation for players (5, 4)
11 Black mark to own Scotch with pussyfoot around (5)
12 Skin the copper founder (4)
13 What it takes to provide meat for a muscular team (4, 2, 4)
15 Put off having to write (3, 4)
16 Leave out Surrey during affliction (6)
19 Frenchman goes by rail to college (6)
21 Revolutionary comic film fan (7)
23 Encourage health being drunk with snack (3, 2, 5)
25 River associated with Cologne we hear (4)
27 Clean but crooked cut (5)
28 Most foolish at any rate (9)
29 Unique though quite common (8)
30 Deadly boatman takes cleaner farther (6)

DOWN

1 Pointer by the way to job with advertising board (8)
2 Further improving step made by single speculator (3, 6)
3 Look after 10d (4)
5 Praise company getting medal before finish (7)
6 Not entitled to be heard away from Wimbledon (3, 2, 5)
7 Drink after tea causes wind (6)
8 Share going to be isolated (3, 3)
9 First a great deal then a tiny bit of soothing liquid (6)
14 Dance an American city put on film (6, 4)
17 Revolutionary equipment for putting an end to washday (4, 5)
18 Good man has first half of 23 to fish (8)
20 Fools landed in the soup (7)
21 Book for followers in the mass (6)
22 Rise to be near the top (4, 2)
24 Information about type (5)
26 Irritation concealed by deceit choir practised (4)

SOLUTION TO PUZZLE No.2,316





SOLUTION AND WINNERS OF PUZZLE No. 2,311

Following are the winners of last Saturday's prize puzzle:

Mr. M. E. C. Joyner, 6, Ridley Gardens, Elsenham, Bishops Stortford, *Herts.*

Mrs. M. Shilcock, 2, Mill Street, Chagford, Devon, TQ13 8AW.

Mrs. Mary Smith, Tower View, Station Road, Thorney, Peterborough PE6 0QE.

RACING

Last day of the Flat

by DARE WIGAN

THE HIGHLIGHT of the last day of the 1973 flat racing season is the Vernons Sprint Cup (2.20) at Haydock which, in my view, will be won by *Rapid River.*

This colt, by Forlorn River, trained by Arthur Stephenson at Bishop Auckland, was withdrawn from the Prix de l'Abbaye de Longchamp in order to concentrate on this valuable prize, and his credentials are sound.

Indeed, with the exception of the Nunthorpe Stakes at York, in which he ran disappointingly behind Sandford Lad, he has been most impressive and has plenty in hand of Brave Lad judged on their running over five furlongs here at the end of May; although he was well beaten by Supreme Gift in the William Hill Portland Handicap at Doncaster in September, he had no difficulty in turning the tables on the Epsom-trained colt in the Barleythorpe Stud Stakes at Leicester ten days later.

In 1966 and 1967 Cyril Mitchell *won this race with Be Friendly,* and he will be hoping to land it again with *As Friendly,* who, as his name indicates, is a son of Mr. Peter O'Sullevan's grand horse, now a successful sire in Ireland.

According to the official scale of weight for age, two-year-olds have an advantage over three-year-olds, but although As Friendly has had three successes, including an easy victory over the stiff five furlongs at Sandown ten days ago, I doubt his being a match for Rapid River.

To-day sees the last rendering of the Tote Roll-up, and the winner of this particular event, which begins the afternoon's proceedings at 1.15, is likely to come from a group consisting of *Barrein, Santa Quay* and *Yasou,* of which trio I prefer Yasou from Ken Cundell's Berkshire stable.

Judged on form shown earlier in the season, when finishing third to Mysterious and Jacinth in the One Thousand Guineas, *Shellshock* would win the Vernon's Organisation Handicap (1.50) with 8 st 9 lbs, but she has disappointed too many times of late for one to repose confidence in her and it is probably better to row in with *Caius,* who seems to be reasonably treated with 8 st 1 lb.

At Newmarket, *Bas Bleu* is a reasonably confident choice for the Animal Health Trust Handicap (3.00). Harry Wragg's filly was a decisive winner under 9 st 4 lbs over this distance at the First October meeting and I think that she is capable of conceding 8 lbs successfully to *Fabled Diplomat.*

Robert Armstrong's *The Old Pretender,* who defeated Thursday's winner, Angels Two, at the Houghton meeting, is the likely winner of the Mark Lane Nursery Handicap (2.00), although *Chick* is an obvious danger.

Assembly Point, a close second to Bright Bibi at Sandown last week, may go one better in the Balaton Lodge Maiden Stakes (1.00), *but the best bet of the* meeting is surely *Farsighted* in the Gladys Yule Plate (3.30).

HAYDOCK

1.15—Yasou
1.50—Caius
2.20—Rapid River***
2.50—White Hope
3.20—Party Time
3.50—Hopeful Subject

NEWMARKET

1.00—*Assembly Point*
1.30—Reformed Character
2.00—The Old Pretender
2.30—The Young Lion
3.00—Bas Bleu*
3.30—Farsighted**

SANDOWN

12.45—Legal Tender
1.15—Tingle Creek
1.45—Well Oiled
2.15—Game Spirit
2.45—Anthony Watt
3.20—Zellamann

CATTERICK

2.00—Donohill
2.30—Canharis
3.30—Kilmoyler

OVERSEAS SHARE INFORMATION

NEW YORK

CANADA

GERMANY

MILAN

AUSTRALIA

AMSTERDAM

SWITZERLAND

PARIS

BRUSSELS

STOCKHOLM

TOKYO

OSLO

COPENHAGEN

VIENNA

SPAIN

JOHANNESBURG

Source Nikko Securities, Tokyo.

STOCK EXCHANGE REPORT

Markets slightly steadier but caution still prevails

[I]ndex recovers 0.5 at 431.5 reducing week's loss to 4.1

[A]CCOUNT DEALING DATES

First Dealings	Option Declarations	Last Dealings	Account Day
[O]ct. 15	Oct. 25	Oct. 26	Nov. 6
[O]ct. 29	Nov. 8	Nov. 9	Nov. 20
[N]ov. 12	Nov. 22	Nov. 28	Dec. 4

* "New time" dealings may take place [fr]om 5 p.m. three business days earlier.

London Stock Markets remained [in] cautious mood yesterday. Buyers [co]ntinued to be held in check by [fe]ars for the economy in the [sh]ort-term in light of the oil [si]tuation and probable industrial [ac]tions by unions over the Stage [Th]ree wages policy. Sentiment [w]as also adversely affected by the [co]ntinuing fall on Wall Street. [H]owever, markets were showing a [li]ttle more resistance, possibly [he]lped by the encouraging tenor [of] the latest CBI report on indus[tr]ial trends, despite reference to [th]e dangers of the economy over[he]ating. Buyers were a little [m]ore in evidence and this was [re]flected in the F.T. 30-share [in]dex which ended 0.5 up at 431.5, [af]ter having been 1.2 down at [no]on; *the day's rise broke a run [of] falling values over the previous [fo]ur days*, but the overall loss [was] only 4.1 for the period under[li]ned unwillingness on the part [of] sellers.

Higher markings of 7,885, com[pa]red with Thursday's 7,180, re[fle]cted another good interest in [sp]eculative situations and book-[le]velling operations in front of [th]e week-end, the latter being [m]ore urgently carried out as the [m]arket may possibly be without [a] *guide from newspapers on* [M]onday because of the engineers' [pl]anned 24-hour strike.

Short gilts active

Short-dated British Funds were [ag]ain to the fore yesterday with [de]mand evenly spread throughout [th]e section. The short "tap," [Tr]easury 10½p per cent., 1976, re[so]lved with a gain of 1/16 to 98⅞, [wh]ile other rises were usually to [⅛]. The tempo of the movement [w]as not upset by switching into [m]edium dates, which often made [im]provements extending to ¼, [th]ese occurring largely in the first [h]our of business. The longs were idle, but were frequently ⅛ better. Late news that interest rates on National Savings Bank accounts were to be increased had *no effect on sentiment, but the fact* that more U.S. banks were coming into line with recent prime rate reductions was a useful influence.

With business at a low ebb, the premium on investment currency drifted slightly lower to close ⅜ off at 32⅝ per cent. Canadian Oils weakened late following news that the export tax on crude oil moving into the U.S. was to be increased. Gulf, £16¼, and Imperial, £22¼, both lost a point or so, *while* Shell Canada fell 85p to 990p. BPC Canada gave up 30p at 760p. Yesterday's USE conversion factor was 0.8038 (0.8010).

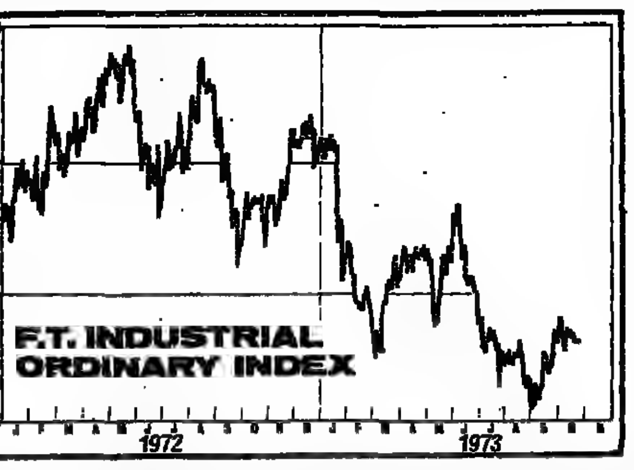
Hodge Group active

News of National Westminster's cuts in its bank charges failed to stimulate any business in leading home Banks which closed narrowly mixed after a quiet trade. National and Commercial Banking, however, came alive on demand ahead of forthcoming preliminary figures, due on November 15, and rose 7p to 182p. Discounts *failed to show a decided* trend and had Cater Ryder 5p up at 320p but Allen Harvey and Ross *25p down at 525p in a thin market.* London and County Securities encountered small selling in Merchant Banks and lost 5p to 195p, after 192p. Awaiting merger terms from Standard and Chartered, unaltered at 465p, Hodge Group attracted another *heavy turnover and closed 1p* harder at 60p. Insurances made a firm showing; Sedgwick Forbes edged 1p higher to 283p, making a rise on the week of 18p.

Breweries turned quieter and closed narrowly mixed. Glenlivet closed unaltered, at 236p, unaffected by news that Imperial Group now hold an increased 15.44 per cent. stake in the company.

A fair amount of interest developed in Buildings, although price movements were generally small. James Latham, still reflecting Press comment, put on 10p more to 250p for a two-day rise of 25p, while Edward Jones finished 4p up at 47p following acquisition news. William Whittingham hardened 2p more to 135p on fresh speculative interest, leaving a rise *on the week of 25p.*

ICI eased 3p to 246p in quiet trading. Porvair, a firm market of late, gave up 3p to 47p. Yorkshire Chemicals hardened 1p to 195p in *front of* Monday's interim statement, while Norsk Hydro improved 5¾ to £85¼.



Ulster Television "A" *rose* 1p to 66p on the increased dividend and higher profits.

After Thursday's dullness on news that Scottish and Universal Investments had reduced its holding in the company, House of Fraser attracted renewed speculative interest and closed 2p harder at 140p, after 142p, following a fair turnover. "Suits" were also 2p better at 188p. Elsewhere, Stores were generally idle and little changed. Revived support lifted Allied Carpet Stores 6p to 125p, while Polly Peck hardened 2p to 31p on the interim report. In contrast, Grant Bros. gave up 5p to 150p following the interim statement.

Colvern provided the only feature in narrowly mixed Electricals; firm recently on speculative interest, the shares rose 7p more to 75p for a week's rise of 17p in response to the agreed 78p cash bid from Royal Worcester, while the latter added 6p at 212p. Reyrolle Parsons closed 2p easier at 92p and Philips' Lamp 8p down *at 787p.*

This week's indecisive trend in the Engineering leaders continued yesterday, Hawker Siddeley rising 3p to 384p, but GKN, 286p, and Tube Investments, 380p, losing 4p apiece. Secondary issues were featured by Pegler-Hattersley which rose 11p to 180p on persistent demand, influenced initially by country advices. Wolverhampton Die Casting jumped 4½p to 26p, after 27p, Francis Industries gained 6p to 52p in a thin market, and Brasway advanced 4p to 80p. Support also developed for Staveley Industries, 3½p higher at 147p, and Clarkson International "A," 2½p better at 45p. Exceptionally, Balfour Darwins fell 7p to 88p after the interim statement. Hawthorn Leslie, in Shipbuildings, were fractionally easier at 127p, after 125p, the annual profits being in line with market expectations.

Among quiet Foods, Spillers met late support and, at 54½p regained 2p of the previous day's fall of 2½p. Brooke Bond "B" were active and 1p firmer at 53½p, while *buying* in front of Monday's interim statement raised Associated British Foods 2p to 50½p. Revived interest lifted Robertson Foods 6p to 102p. Barker and Dobson, however, eased 2½p to 19½p on the sharply lower first-half profits and Caroni ½p to 5½p *following the increased trading* deficit. Fox's Biscuits, a good market of late on bid hopes, came back 3p to 107p.

Gale Lister provided a late dull feature at 92½p, down 7½p, after the agreed share exchange offer, worth about 99p, a share, from Mount Charlotte, a shade firmer at 19¾p. Myddleton Hotels finished 5p cheaper at 240p following the results, but Isle of Man Holiday Centre managed a 2½p rise to 52p *after trading news.*

Martin-Black down

There was still a number of firm spots to be found in Miscellaneous Industrials, although the leaders closed a shade easier for choice. Martin-Black provided one of the few notably dull markets, declining 6p to 69p on the half-time statement, while lower interim profits left "W" Ribbons 3p off at 37p. English China Clays, 131p, and Shipping Industrial, 468p, both lost 4p, while Broken Hill Proprietary ended 10p down at 572p. J. Coral came in for fresh speculative buying following the nine-month figures and added 7p at 160p. I.C. Gas reflected North Sea hopes with a rise of 27p at 730p, while further speculative support raised Hay's Wharf 12p to 407p. Buying in thin markets left Hollis Brothers 14p up at 123p and Perak River 15p better at 325p. Valor improved 5p to 123p and the Deferred 7p to 103p, while Hoover "A" put on 10p to 465p and Allied Investments 6p to 54p. Consolidated Tin Smelters added 6p at 206p for a week's rise of 20p in a thin market, while gains of about 5p occurred in Alfred Clough, 135p, and Stag Furniture, 76p. Hong Kong issues made some progress, with Jardine Matheson gaining 20p at 865p.

After recent marked weakness, British Leyland moved up 1½p to 24½p on some fairly substantial buying part of which was stimulated by a *broker's* circular. Motors otherwise closed little changed after a quiet trade. News of diversification moves helped Volvo harden ½ to £30, but Dunlop eased 1p further to a 1973 "low" of 70p.

The warning of higher newsprint prices in the U.S. had little impact on Newspapers, although United eased 4p more to "low" for the year of 320p. Reflecting an investment recommendation, East Midland Allied Press "A" rose 2p to 64p. Elsewhere, Partridge and Love moved up to 8p to 162p on the agreed offer from Reed and Smith which eased 2p to 67p.

Properties were spurred on by *favourable* Press comment and moved ahead on a broad front in active trading. Closing levels were, however, often below the day's best. Among the leaders, St. Martins rose 8p to 227p and MEPC 6½p to 239p, while Land Securities closed 7p up at 247½p, after 249½p. British Land 5½p better at 218p, after 221p, and Town and City 3½p firmer at 102½p, after 105p. Berkeley Hambro were again prominent, advancing 18p more to 358p for a two-day rise of 32p. Lynton *Holdings rose afresh to 188p* before ending a net 6p higher at 183p, while Keith and Henderson gained 10p at 147p, Great Portland 9p at 315p, Artagen 8p at 161p, and Law Land 7p at 172p. A Press "sell" recommendation brought London Bridge Securities back to 175p, but the close was only 3p off on balance at 185p.

Oils ended the week subdued apart from Tricentrol, which spurted to 210p before closing a net 10p up at 208p, still encouraged by North Sea speculation. Of the leaders, British Petroleum drifted 3p easier to 558p, Shell were finally unaltered again at 258p, after 260p, and Burmah recovered 4p to 440p. KCA Drilling lost 3p to 77p in the miscellaneous section, but the Australian N.W. Oil and Minerals rallied 2½p to 7p after the setback earlier this week.

Sime Darby steadier

After the sensational events of Thursday when the shares dipped 23p on news of the dismissal and arrest of the company chairman for alleged "misapplication of funds" Sime Darby became a steadier market yesterday; up to 110p on overseas advices, the shares closed 1p harder on balance at 106p. Sime Darby (London) closed 2p dearer at 106p, after 108p, but Consolidated Plantations, an associated concern, shed 1½p more to 55p, for a two-day decline of 5p. Elsewhere in Trusts and Financials, buyers came for London and Western which jumped 8p to 95p. Pastorals to firm included Australian Agricultural, 4p better at 110p, and Australian Estates "A," 11p up at 147p. Mari Investments put on 3p to 45p.

Quiet at the outset, interest in Shippings picked up in the late trade. Favourable Press comment helped P & O Deferred rise 5p to 329p while persistent small demand in a thin market ahead of forthcoming results left Sheaf Steam up 10p more at 260p, for a rise of 36p on the week.

In Textiles, the chairman's encouraging statement helped John Haggas firm 4p to 307p while revived demand left Reliance Hosiery the same amount better at 51p. Ahead of Wednesday's interim figures, John Bright hardened 1½p to 36p.

A resurgence of buying interest in Teas after Thursday's pause, left James Finlay 15p better at 480p and Teith Holdings *similarly higher at* 305p in sympathy; both have risen 40p on the week. Cessnock added 5p to 205p and Clairmuce hardened 1p to 63p, for a 17p advance on the week. Rubbers closed without much alteration after a quiet trade.

Golds up again

Gold shares ended a very quiet week on a firm note thanks to the continued rise in their counterparts across the Atlantic coupled with an improvement in the bullion price here. The Gold Mines index rallied to 148.7 to show a net loss on the week of 1.1 after having been down to 144.5 on Wednesday.

Yesterday's gains ranged to 25p in Randfontein at 695p while rises of 10p were seen in Kloof (620p) and Harmony (290p); the last-named reflected consideration of the expansion plans and the official anticipation of a higher than previously forecast dividend for the current year.

Financials moved narrowly although the undertone was steady enough. Anglo American put on 5p to 340p while Lonrho were finally 1p harder at 92p after fluctuating between 89p and 93p. RTZ eased to 225p with the accumulating shares at 228p.

Australians turned easier in line with the markets in Melbourne and Sydney. Waning hopes of a nickel price rise left Poseidon 15p down at 425p while Western *Mining lost 8p to 108p and Metals* Exploration 4p to 75p. Bougainville came back 4p to 140p and NBHC Holdings lost 5p to 277p in sympathy.

In Coppers, local profit-taking lowered Palabora to 530p before Cape buyers lifted the shares to 540p at which they showed a net loss of 20p. Zambia's Roan Consolidated lost 10p to 300p. Among Tins, Sungei Besi responded to the interim and good half-year profit with a rise of 3p to 53p.

Elsewhere, profit-taking reduced Consolidated Murchison 10p to 425p after the rise which had followed last week-end's increase in the U.K. antimony price. Of the Canadian-Irish group, Northgate eased 10p to 240p while Tara were that much up at 630p.

FINANCIAL TIMES STOCK INDICES

—	Nov. 2	Nov. 1	Oct. 31	Oct. 30	Oct. 29	Oct. 26	A Year ago
Government Secs.	65.34	65.22	65.22	65.27	65.43	65.45	72.44
Fixed Interest	65.34	65.28	65.29	65.38	65.72	65.66	74.08
Industrial Ordinary	431.5	431.0	432.3	433.3	434.5	435.6	484.9
Gold Mines	148.7	147.1	144.5	144.7	147.0	149.8	88.1
Ord. Div. Yield %	4.34	4.34	4.33	4.33	4.32	4.31	[illegible]
Earnings Yld % (full)(a)	9.92	9.91	9.90	9.89	9.87	9.85	†5.44
P.E. Ratio (net) (a) (b)	13.69	13.70	13.73	13.74	13.76	13.78	†18.38
Dealings marked	7,885	7,180	8,339	8,247	9,119	8356	9,327

*10 a.m. 430.7 11 a.m. 430.6 Noon 429.8 1 p.m. 430.5 2 p.m. 430.5 3 p.m. 430.5

Latest Index 01-246 8026.

(a) Based on 50 per cent. corporation tax. (b) Nil=13.45. † On old basis.

HIGHS AND LOWS

—	1973 High	1973 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	72.08 (22/1)	63.16 (6/9)	127.4 (9/1/35)	63.16 (6/9/73)
Fixed Int.	73.83 (23/1)	63.67 (6/9)	150.4 (28/11/47)	63.67 (6/9/73)
Ind. Ord.	509.5 (10/1)	404.8 (5/9)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	203.6 (6/7)	93.6 (19/1)	203.6 (6/7/73)	43.5 (26/10/71)

S.E. ACTIVITY

—	Nov. 2	Nov. 1
Daily—		
Gilt Edged	104.9	117.4
Industrials	259.0	237.9
Speculative	80.6	79.8
Totals	179.5	163.4
5-day Av.—		
Gilt Edged	128.6	133.2
Industrials	272.8	279.8
Speculative	97.0	98.5
Totals	185.6	187.7

Basic 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec 1942.

FT—ACTUARIES INDICES

—	Nov. 2	Nov. 1	Oct. 31	Oct. 30	Oct. 29	Oct. 26	A Year ago
Industrial Group	176.59	176.44	176.91	177.43	178.01	177.45	200.41
500 Shares	185.23	185.15	185.34	185.68	186.53	186.13	209.25
Div. Yield pc	4.10	4.10	4.10	4.09	4.07	4.08	3.49
P/E Ratio (net)	14.87	14.88	14.89	14.91	14.98	14.95	†17.04
All Share	186.85	186.51	186.83	186.96	187.85	187.36	209.44
Consols Yield pc	11.33	11.33	11.32	11.32	11.32	11.31	9.60

† On old basis

[A]UTHORISED UNIT TRUSTS (p★★★)

(a) (g) Abacus Arbuthnot Ltd. — Fountain St., M/C. 061-236 9773/8.

(a) (g) The Crescent Group — Crescent Unit Trust Managers Ltd. 4, Melville Cres., Edinburgh 3. 031-226 4931. 21, Spring Gardens, Manch. 061-832 3066

(a) J L Consumer Fund Mngrs. — 72-80, Gatehouse Rd., Aylesbury. Aby. 5941

(a) (g) Key Fund Managers Ltd. — 25, Milk Street, EC2V 8JE. 01-606 7070

(a) National Westminster — 41, Lothbury, EC2P 2BP.

(g) Sebag Unit Tst. Managers Ltd. — PO Box 311, Bcklry. Hse., EC4. Not available to public generally.

[illegible]

[INSURANCE, PROPERTY, BONDS PRICES PAGE 29]

OFFSHORE AND OVERSEAS FUNDS (p★★★)

Albany Management Co. Ltd. — Utility Hs. PO Box 463, Hamilton, Bermuda. Albany Fd. Ltd. $11.48 12.50 1.00

Australian Inv. Man. Corpn. — P.O. Box 1011, Hamilton, Bermuda.

Fidelity Mngmt. & Res. (Bda.) Ltd. — P.O. Box 670, Hamilton, Bermuda.

Negit Ltd. — Bank of Bermuda Bldgs., Hamilton, Brmda. NAV Oct. 26 1973. 627p.

Old Court Fund Mgrs. Ltd. — P.O. Box 58, St. Julians Ct., St. Julians Ave., Guernsey, C.I.

[illegible]

COMPANY NEWS

Chemical Securities' "bright" future

Announcing that first-half sales in the U.K. of the major trading subsidiary had almost doubled, and that those in Canada were 30 per cent. up on last year, Mr. F. A. S. Wood, chairman of Chemical Securities—an investment company with interests mainly in the chemical sector—said yesterday the position looked "very bright."

He told shareholders at the annual meeting in London that the world chemical industry was currently experiencing boom conditions, and for many products, demand exceeded supply. Companies in which Chemical Securities had investments were reporting sharply improved results and in consequence the directors felt justified in expecting increased dividends.

"The present crisis in the Middle East, the uncertainty regarding oil supplies and, within the U.K., the threat of industrial action against pay restrictions, makes it impossible to forecast the future with any certainty. Nevertheless, the results coming through from our major trading subsidiary, Kingsley and Keith Chemical group, are exceptionally buoyant," the chairman said.

First-half sales in the U.K. which were nearly double those of the depressed levels of the corresponding period last year, were above those for the second half of that year.

"I am absolutely sure that shareholders will be well pleased with the final outcome of the company's activities in the current year," the chairman declared.

Prospects for the balance of the current year were favourable but there was a measure of uncertainty prevailing which the directors must take into consideration, Sir Robert said.

The inflationary trend continues to be strong and measures taken by the Government are all designed to restrain local manufacture and encourage imports. The full effect of these measures has yet to be felt, but coupled with increasing costs of raw materials, services and labour, shortage of supply of critical materials from overseas, interruptions of power services and the like, the effect on manufacturing industries could well be very serious, the chairman warned.

Good start by Dunlop Australia

The current financial year had begun well for Dunlop Australia, chairman Sir Robert Blackwood told the annual meeting in Melbourne.

Sales demand continued to be strong and for the first three months profit was ahead of the corresponding period last year.

Adwest order level well up

MR. F. V. WALLER, chairman, told the annual meeting of the Adwest Group (manufacturers of automotive, agricultural, electrical, hydraulic and general engineering products), that the level of orders at the end of the first quarter of the current year was still substantially above that of a year earlier.

Commenting on the strike at Adwest Engineering Mr. Waller said that from the information available, the directors estimated that group pre-tax profits would be affected to the extent of £250,000 "but this will not necessarily preclude the group as a whole from continuing its pattern of growth."

The impact of the strike was broadly as anticipated when making the transfer to reserve of £125,000 out of taxed profits for the year under review, he added.

Viner's ahead at half way

Cutlers and silversmiths Viner's reports profit up from £158,000 to £179,000 before tax of £80,000 (£57,000) for the 28 weeks to July 13, 1973. Stated earnings improved from 1.73p to 1.89p per 10p share.

And the interim dividend is effectively raised from 0.5p to 0.525p gross—0.3675p net. Total for 1972 was equal to 1.385p (after adjusting for a one-for-one scrip issue) paid from profit of £468,040 before tax.

Turnover for the 28 weeks was £2.57m. (£2.12m.) and at the attributable level profit came through as £95,000 compared with £99,000.

Mr. R. Viner, chairman, forecasts that, subject to the effects of the end of Stage Two and of Stage Three of the Prices and Pay Code, 1973, will prove to be another satisfactory year.

2p final by Hawthorn Leslie

FOLLOWING its return to the dividend list in July with a 2p interim, R. and W. Hawthorn Leslie is recommending a similar final to make 4p gross, or 2.8p net, for the year to June 30, 1973.

Actual results for the year show a profit, before tax, of £564,608, compared with £569,000 estimated and with £248,835 achieved in 1971-72.

This year takes in £573,344 (£89,824) profit arising from the investment in Swan Hunter Shipbuilders to November 27, 1972 (the date of disposal) and £61,024 surplus on sale, and allows for £170,046 (£93,816) development expenditure on the Seahorse engine.

	1972-73 £	1971-72 £
Turnover	2,844,000	2,281,000
Profit	108,098	252,827
Seahorse expend.	170,046	93,816
Shipbuilders profit	573,344	89,824
Shipbuilders sale	61,024	—
Profit before tax	564,608	248,835
Tax credit	3,702	*24,468
Net profit	568,310	224,367
Minority credit	—	3,491

* Charge.

Earnings per share are stated at 20.2p (7.2p). Excluding Shipbuilders, there is a deficit of 3.5p (earnings 3.8p).

£783,017 loss by Caroni

IN LINE with mid-way expectations West India planters, sugar manufacturers and rum distillers Caroni incurred a loss of £783,017 in the year to June 30, 1973, against a £50,920 deficit in 1971-72. As before there is no tax charge.

At the half way stage the directors envisaged a loss of around £1.07m. but approved a charge in the valuation of crops. The effect of this and the treatment of staff and office furniture has cut the loss by £277,000.

The trading loss was £518,808 (loss £195,839) after crediting previous over provisions for sugar workers' pension scheme £120,750 and after charging severance payments £259,529 (£79,840) and depreciation £610,441 (£561,739).

Total production from 1973 sugar crop amounted to 166,412 (206,013) tons.

The Government of Trinidad and Tobago controls the company, and Tate and Lyle has a large stake.

Upsurge seen at Raine Engineering

Mr. M. H. Taylor, chairman of Raine Engineering Industries, reports that the last few months of the year ended June 30, 1973, saw a considerable upsurge in demand, coupled with a better price level for most products and also the benefits accruing from reorganisation and rationalisation.

The high level of trading and profitability is continuing, and the Board looks forward to a considerably better result for the present trading period.

As reported on September 22, pre-tax profit was £127,886 (£102,545) and the dividend 0.6825p (0.65p). Analyses of turnover and profit shows: steel and heavy engineering £3,859,886 and £111,798 (£3,148,518 and £73,164), light engineering and plating £775,071 and £69,826 (£772,043 and £66,282) and insurance broking £7,448 and £4,045 (£6,383 and £4,143).

£15m. finance for Maple Macowards

Maple Macowards has arranged a £15m. five-year loan to finance its expansion programmes and the first tranche of £10m. has already been drawn.

The facility, negotiated through Morgan Grenfell, is available for up to five years at the group's option. Interest has been set at 1½ per cent. over the inter-bank rate.

The loan is secured by a first charge on the group's development in Tottenham Court Road.

Pergamon meeting

Shareholders will be asked to decide the future of Mr. Robert Maxwell, the former Pergamon Press chairman, at a special meeting which has now been fixed for November 20.

This was stated last night by Sir Walter Coutts, the present chairman. Reasons for the postponement of the originally intended November 12 date will be given in a letter to shareholders due to go out in the next few days.

The holders will be asked to vote on a resolution that Mr. Maxwell be reappointed to the Board. Editors of Pergamon's magazines have confirmed their intention to withdraw co-operation unless Mr. Maxwell does return.

Profit advance at Ulster TV

ADVERTISING REVENUE at Ulster Television exceeded earlier estimates and remained buoyant throughout the year ended July 31, 1973. This more than offset expenditure increases and pre-tax profit advanced from £316,274 to £383,261.

Turnover topped £2m., against £1.7m., and profit after tax emerged at £214,261, compared with £206,274. Earnings per 25p share rose from 8.6p to 8.9p.

The dividend is lifted from 5.875p to 6.143p gross with a final payment of 4.143p gross, 2.9p net.

The accounts show that the capital reserve was increased by £77,898 less tax of £27,384, being realised profits, less losses, on disposal of quoted investments during the year.

The high growth rate of advertising revenue—up some 20 per cent. over the previous year—not necessarily continue... ments chairman The ... Antrim. A smaller adv... looked for in the curren... and running costs will incre... a sum substantially in ex... the expected income advan... warns.

Meeting, December 7.

	1972-73 £
Advertising revenue	2,034,066
Other trading income	60,397
Interest received	6,638
Income from invests.	29,311
Total income	2,130,430
Expenditure†	1,747,169
Profit before tax	383,261
Taxation	169,000
Net profit	214,261
Dividends	103,200
Retained	111,061
Brought forward	225,696
Tax adjustment credit	—
Unappropriated	336,757

† Including exchequer levy, depreciation.

Rhodesia sanctions 'on unsound basis'

BY RICHARD EVANS, LOBBY CORRESPONDENT

THE POLICY of sanctions against Rhodesia pursued by Britain and the United Nations has been based on unsound legal arguments, according to the author of a Conservative Bow Group pamphlet

He argues that according to international law Rhodesia is an independent state and not a colony in rebellion.

The pamphlet calls for new negotiations based on a fresh approach to the problem. It comes at a sensitive time, for both Houses of Parliament are due to vote on the renewal of the sanctions order next Thursday and many Conservative backbenchers are unhappy with the present policy.

Mr. Michael Stephen, author of the pamphlet, recently spent two years at Harvard and Stanford Universities studying international law. During this time he was attached for several months to the British delegation at the UN.

Challenge

He challenges the interpretations of international law under which Britain maintains that Rhodesia is a colony under rebellion and can only become legally independent by a British Act of Parliament, and that the Security Council has power to authorise enforcement action to remove the threat to international peace.

"The misuse of international law in the Rhodesia question has not helped to solve the problem, but has served to obscure the real issues and to polarise attitudes," he declares.

Mr. Stephen adds that the real aims of the British Government were not to crush a colony in rebellion but to encourage the development of true democracy in Rhodesia and to end racial discrimination and oppressive law and order measures.

The sanctions policy, far from improving the situation, was actually promoting the drift to the right towards full-scale apartheid and co-operation with South Africa.

Mr. Stephen admits that the abrupt and total removal of sanctions would be counter-productive. Instead, he advocates new negotiations using the 1971 proposals as a starting point and after consultation with our EEC partners and others.

Rhodesia: A Reassessment; Bow Group, 40p.

New wines to fill gaps

BY KENNETH GOODING

BRITAIN'S wine shippers are working hard to fill the gaps which are appearing on restaurant price lists following the steep rise in the cost of generic wines from Bordeaux and Burgundy.

"People are going to have to learn a whole new range of names in the medium-priced bracket. Our big task will be to educate both the restaurateur and the public," says Mr. George Bull, managing director of Gilbey Vintners.

GV says it saw the trend two years ago, and has since been looking for wines which for price and quality would fill the gap.

Now the concern has introduced a range of 11 French regional wines which it claims is "the most comprehensive ever produced by a major British company" and calls it Les Grands Vignobles.

GV claims that the range gives pubs, hotels and restaurants the possibility of creating a separate regional wine section within their wine lists.

The wines represent almost every major producing area of France, and should sell at between 74p and £1.35 a bottle.

Economic Diary

THE PRIME MINISTER will be a speaker at the Institute of Directors' annual conference, at the Royal Albert Hall on Thursday. Other events, and statistics to be published next week include:

MONDAY—Hire purchase and retail trade figures for September.

TUESDAY—Car and commercial vehicle production in October. Import and export unit value and volume index numbers for September. Consolidated fund and national loans fund for October.

WEDNESDAY—National Economic Development Council meeting will discuss international monetary reform, EEC regional policy, the EEC's proposals for a social programme, and oil supplies. Clearing banks' aggregate figures for deposits, liquid assets and advances at mid-October. U.K. banks, eligible liabilities, reserve assets and reserve ratios at mid-October.

THURSDAY—Sales and orders in the engineering industries for July.

FRIDAY—Index of industrial production for September.

STOCK EXCHANGE BUSINESS IN OCTOBER

Gilt-edged leads strong recovery

BY ERIC SHORT

THE STABILISATION of interest rates during October, together with some reductions, both in the U.K. and the U.S., went a long way to restoring confidence on the Stock Exchange in general and the gilt-edged sector in particular.

Here turnover doubled on the month, rising £1,901m. to £3,799.2m., the highest monthly figure since May. Both short-dated and other stocks were equally responsive to the recovery. The Financial Times Stock Exchange Turnover Index for British Government Securities jumped to 160.8 in October from the September low of 80.3.

Overall result

With three more business days in October as compared with September, the number of gilt-edged bargains advanced by 8,500 to 44,364, again the highest number since May. The average value of each bargain in both short-dated and other stocks increased substantially, indicating renewed institutional activity.

Business in Irish Government Securities improved by £25m. to £47.6m. Turnover in other fixed-interest securities also went ahead by £58m., so that overall business for the month in fixed-interest securities rose by £1,984m. to £4,116.8m.

The improvement in the gilt-edged sector was reflected in a better performance by the equity sector, which recorded its best turnover figures for six months. Business in October advanced £490m. to £1,574.8m., the highest since the issued figures included provincial exchanges, starting in April.

The Financial Times Turnover index for Ordinary Shares went from September's low of 193.6 to 281.0 in October, the highest value since March.

Equity bargains leaped by 118,000 to 411,863, the highest monthly figure since July. The average value per bargain reached its highest ever value, encouraged by renewed activity in the field of bids and mergers.

The net result of this all-round improvement was that turnover in All Securities in October jumped £2,474m. to £5,691.6m., the best figure since May. The number of bargains rose 136,000 to 507,662, the highest since July.

The Financial Times Turnover index for All Securities climbed to 174.4 in October from 98.6 in September and 103.8 in August.

Hopes that interest rates had peaked out and would now start to fall was the dominating influence in the gilt-edged sector.

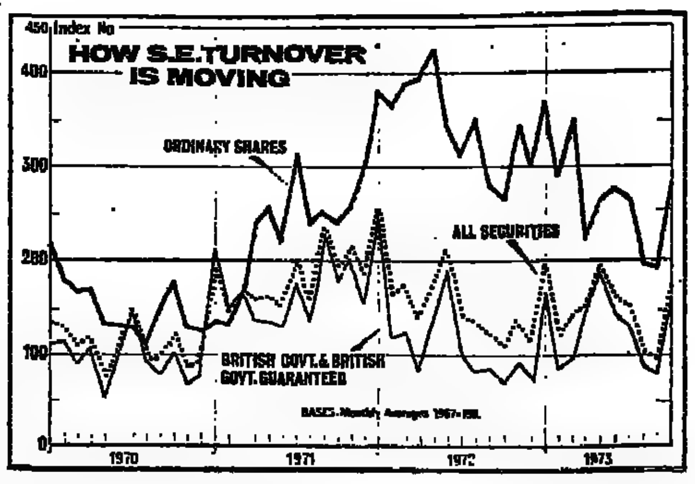
The firmness in gilt-edged prices was shown by the performance of the Financial Times Government Securities index during October. From an end-September value of 64.22, it rose steadily to the month's high of 65.78 on October 22, a gain of 2.4 per cent. It shed part of this gain over the last few days of the month to finish at 65.22.

While turnover increased in the equity market, prices of leadings stocks moved between fairly narrow limits.

Lack of movement.

This comparative lack of movement was reflected by the behaviour of the Financial Times Industrial Ordinary Share Index during October. From an end-September value of 429.4, it improved to the month's high of 441.6 on October 10.

The month's low of 428.2 was recorded six days later, followed by a rally to 437.7 on October 19. Subsequently, the index drifted down over the final eight business days of the month on worries about industrial action against Stage III and finished at 432.3.



Category	Value of all purchases and sales £m.	% of total	Number of bargains	% of total	Average value per day £m.	Average value per bargain £	Average no. of bargains per day
British Govt. and British Govt. Guaranteed:							
Short dated (having five years or less to run) ...	2,139.7	37.6	14,315	2.8	93.0	149,470	622
Others	1,659.5	29.2	30,049	5.9	72.2	55,228	1,307
Irish Govt.	47.6	0.8	2,027	0.4	2.1	23,483	88
U.K. Local Authority	82.7	1.4	5,777	1.3	3.6	14,306	251
Overseas Govt. Provincial and Municipal	14.7	0.3	2,016	0.4	0.6	7,295	88
Fixed Interest Stocks, Pref. and Prefd. Ord. Shares ...	172.6	3.0	41,615	8.2	7.5	4,147	1,809
Ordinary Shares	1,574.8	27.7	411,863	81.1	68.5	3,824	17,907
Total	5,691.6	100	507,662	100	247.5*	11,211*	22,072*

* Average of all securities.

This document is issued in connection with a placing by

GRENFELL & CO.

of 1,269,175 Ordinary Shares of 25p each at 34p per share

Winston Estates Limited

(Incorporated in England under the Companies Act, 1948: No. 661769)

SHARE CAPITAL

Authorised		*Issued or to be issued and fully paid*
£1,500,000	in 6,000,000 Ordinary Shares of 25p each	£1,374,673·50

At the close of business on 15th October, 1973 the Company and its subsidiaries had outstanding mortgages totalling £1,461,781 and secured bank indebtedness which amounted to £63,385. The Company has guaranteed the bank overdraft of an associated company up to a maximum of £122,500 (Contract (8) below). Apart from the foregoing neither the Company nor any of its subsidiaries had outstanding on that date, any debentures, debenture stock, mortgages, charges or other loan capital, bank overdrafts or similar indebtedness, acceptances, acceptance credits, hire-purchase commitments, guarantees other than in the ordinary course of business, or other material contingent liabilities.

DIRECTORS:
Stanley Joseph Passmore *(President)*
Flat 8, 73, Portland Place, London, W.1.
Trevor Stanley Passmore, T.D. (Chairman)
6, Ranelagh House, Elystan Place, London, S.W.3.
Percival Thomas Dennis Guyer, Keighley Lodge, Pond Road, Hook Heath, Woking, Surrey.
Dennis Ralph Greville Marler, F.R.I.C.S., Woolborough House, 40, Roedean Crescent, London, S.W.15.
Denis Mortimer Mountain, 12, Queens Elm Square, London, S.W.3.
David Robert Poole, F.C.I.S., 29, Whitney Avenue, Ilford, Essex

SECRETARY AND REGISTERED OFFICE:
David Robert Poole, F.C.I.S., 10, Bolton Street, London, W1Y 8AU

BANKERS:
Lloyds Bank Limited, 15, Chesterfield Street, London, W1X 8EU
Channel International Bank Limited, Channel House, Green Street, St. Helier, Jersey, Channel Islands
Morris Wigram Limited, 10, Chesterfield Street, London, W1X 8JT

BROKERS:
Grenfell & Co., 62, London Wall, London, EC2R 7JL and The Stock Exchange

SOLICITORS:
To the Company:
J. D. Langton & Passmore, 8, Bolton Street, London, W1Y 8AU
To the Placing:
Linklaters & Paines, Barrington House, 59/67, Gresham Street, London, EC2V 7JA

JOINT AUDITORS:
Whinney Murray & Co., Chartered Accountants, 57, Chiswell Street, London, EC1Y 4SY
Stephenson Smart & Co., Chartered Accountants, Queen Street Chambers, Peterborough.

REPORTING ACCOUNTANTS:
Whinney Murray & Co., Chartered Accountants, 57, Chiswell Street, London, EC1Y 4SY

REGISTRARS AND TRANSFER OFFICE:
Lloyds Bank Limited, Registrars Department, The Causeway, Goring-by-Sea, Worthing, Sussex

The ordinary shares which are the subject of the Placing will rank in full for all dividends hereafter declared on the share capital of the Company. Further copies of this Document may be obtained during business hours on any weekday (Saturdays excepted) up to and including 19th November, 1973 from:—
GRENFELL & CO., 62, London Wall, London, EC2R 7JL
or
LLOYDS BANK LIMITED, Issue Department, P.O. Box 287, 51, Gracechurch Street, London, EC3P 3DD

HISTORY AND BUSINESS

Winston Estates Limited ("the Company") was incorporated on 8th June, 1960 on the initiative of Mr. Stanley J. Passmore, now President of the Company, and his son Mr. Trevor S. Passmore, the present Chairman.

The business of the Company is that of a property holding company and since incorporation it has acquired the whole of the share capital of four similar companies namely:

Winston Properties Limited
Perowne Estates Limited
Flatau Limited
Flatau Investments Limited

The remaining subsidiary Company, A. H. Developments Limited ("Developments") was acquired for the purpose of building residential estates for sale and commenced to trade on 9th August, 1961. Further particulars of the subsidiary companies are set out later in this document under "Statutory and General Information". The Company and its subsidiary companies are hereinafter collectively called "the Group".

The Group owns properties in various parts of England but principally in the South. The classification of the Group's property portfolio, based on the Valuation at 1st July, 1973, of Knight Frank & Rutley, detailed later in this document, shows:

Lock-up shops, shops with accommodation or offices above	67·6%	Flats	9·1%
		Hotel	4·3%
		Farmland and undeveloped land	2·2%
Motels (2)	12·1%	Factory and others	4·7%

The Group's existing properties are fully let and reversions and rent revisions will occur over the next few years when the Directors would have expected increases in rental income at a satisfactory rate. However, due to the present standstill policies of H.M. Government in relation to business and other rents, these increases are of necessity postponed. The Group's present policy of providing for rent revisions at five or seven yearly intervals when granting leases remains unchanged.

Developments has recently completed the building of 100 houses and two shops at Allhallows-on-Sea, Kent and negotiations are at present in hand with a view to the acquisition of additional land in that area for further development. Developments owns a small site in Rochester, Kent, and is currently constructing ten two-bedroom flats at Frinton-on-Sea, Essex which are nearing completion.

The Company also owns, through a jointly owned company, Mercury Motor Inns (Devon) Limited ("Mercury"), a 49 per cent. interest in a motel on the A38 at Kennford, *near Exeter at the present proposed southern terminal point of the projected M5 Motorway.* This motel, known as the Exeter Mercury Staging Post, has been approved as a Service Area by the Department of the Environment. The majority interest of 51 per cent. in Mercury is owned by Leisure and General Holdings Limited ("Leisure"), a publicly listed company. The association with Leisure has arisen from previous arrangements whereby the Company, either directly or through its subsidiary Perowne Estates Limited, has developed motels and leased them to Leisure as operators. Under the present arrangements the Company, instead of securing rental income, will participate in trading results of Mercury.

FINANCE

Eagle Star Insurance Company Limited and the Trustees of its Staff Pension Fund and Widows' Benefit Scheme together beneficially hold 21·4 per cent. of the issued share capital *of the Company, including the shares agreed to be sold under Contract (1) below.* Eagle Star Insurance Company Limited has advanced to the Company sums, which at 17th October, 1973, amounted to £1,187,126. These are secured by mortgages on individual properties.

DIRECTORS AND MANAGEMENT

Mr. Stanley J. Passmore and Mr. Trevor S. Passmore are Solicitors and have been Directors of the Company since its incorporation in 1960. Prior to that date both were involved in property holding and development as principals and legal advisors.

Mr. Stanley J. Passmore, the co-founder of the Company, by reason of his long service to the Company and his advanced age, was appointed Life President under a Contract dated 31st December, 1970 which provides for a salary to be agreed from time to time and which at present is £1,250 per annum.

Mr. P. T. D. Guyer, who joined the Board in August, 1961, is a former Joint General Manager of Lloyds Bank Limited and is a Director of Channel International Bank Limited and Morris Wigram Limited.

Mr. D. R. Poole has been the Secretary of the Company since its formation and was appointed a Director in June, 1966.

The management of the Company is dealt with by Mr. Trevor S. Passmore (age 57), Mr. P. T. D. Guyer (age 73) and Mr. D. R. Poole (age 59) who are executive members of the Board and all of whom have service agreements with the Company (Contracts (2) to (4) inclusive below). The Company also has the assistance as non-executive Director of Mr. D. M. Mountain (age 44), Managing Director of Eagle Star Insurance Company Limited, who has been a Director since October, 1963.

In addition, Mr. D. R. G. Marler (aged 46) has been a non-executive Director since July, 1963. Mr. Marler is also Joint Managing Director of Capital & Counties Property Company Limited, but he has indicated his intention to resign from Winston Estates Limited at the end of 1973. This is in line with the policy of Capital & Counties Property Company Limited that its Directors should not serve on the Boards of other listed property companies.

Moorgate Secretaries Limited, the shares of which are beneficially owned by Mr. D. R. Poole who is its Managing Director, conducts the day-to-day administrative affairs of the Group under the direction and control of the executive Directors and also provides book-keeping, secretarial and rent collection services (Contract (5) below).

PROCEEDS OF ISSUE AND WORKING CAPITAL

The 1,269,175 Ordinary Shares being placed pursuant to Contract (1) below include 571,428 Ordinary Shares to be issued by the Company and the net proceeds of such issue, estimated to amount to £144,000 together with existing resources available to the Group will, in the opinion of the Directors, provide adequate working capital for the Group's present requirements.

PROFITS, PROSPECTS AND DIVIDENDS

It is the Directors' intention that the Group should continue its policy of acquiring:

1. Properties for holding as investments.
2. Sites or properties for development either to be retained as investments or subsequent sale.

Because of the Government's counter-inflation policy and the present restrictions on business and other rents, the growth of the profits of the Group will be delayed until such restrictions are removed or eased. But for these restraints the Directors would, having regard to rent reviews and reversions over the coming years, have expected the profit growth to continue.

On the basis of the profits of the Group for the six months ended 30th June, 1973, the Directors forecast that, in the absence of unforeseen circumstances, the profits for the whole year ending 31st December, 1973, should be not less than £100,000, subject to taxation.

The Directors have employed the following assumptions in preparing their profit forecast for the Group for the current year:

1. There will be no significant change in the portfolio of the Group.
2. There will be no substantial delays in the letting of existing properties when leases or tenancies expire and that such new lettings will be made at not less than current rental levels.
3. The present Government legislation and its proposals under Phase III to effect controls upon business and other rents will not adversely affect monies being received under existing leases or tenancies.
4. *That revenue will accrue at an estimated rate of 10 per cent. per annum on the* net proceeds of the issue of the 571,428 Ordinary Shares.
5. That contracts for certain of the flats being erected at Frinton-on-Sea will be exchanged before the end of the current year.
6. *That the anticipated trading loss of Mercury in respect of the initial period* to the 31st December, 1973 will not exceed the amount estimated by Leisure.

In the light of the profit expected for the current year, the Directors paid on the 17th October, 1973 an interim dividend of 1·75 per cent. (2·5 per cent. including the associated *tax credit) on the then issued share capital of the Company.* It would be their intention to recommend a final dividend of not less than a further 1·75 per cent. (2·5 per cent. including the associated tax credit) on the enlarged capital when the results for the year ending 31st December, 1973 are known making total dividends for the year equivalent to a rate of 5 per cent. gross.

The appropriation of profits of £100,000 would be as follows:—

		£
Profits before taxation		100,000
Less: Corporation tax (assuming a rate of 50 per cent. from 1st April, 1973)		47,500
Net amount available for dividends		52,500
Deduct: Interim dividend paid	£21,481	
Proposed final dividend on capital as increased ..	24,057	
		45,538
Leaving a balance to be carried forward of		£6,962

If earnings are calculated on an annualised basis (i.e. on the assumption that revenue on the net proceeds of the issue of the 571,428 Ordinary Shares will accrue at 10 per cent. per annum for a full year), the profit after corporation tax at 50 per cent. would amount to £56,500 which would enable dividends of 4·06 per cent. (5·8 per cent. including the associated tax credit) to be paid on the increased share capital. At the placing price of 34p per share and on the basis of a gross distribution of 5·8 per cent., covered 1·0 times, the yield would be 4·26 per cent.

The placing price of 34p per share compares with an asset value of approximately 49p per Ordinary Share **based on the net assets as shown by the Accountants' Report, and after taking into account the Valuation of the Group's properties by Knight, Frank & Rutley, and the net proceeds of the new shares recently allotted, but without allowing for any contingent liability to taxation on realisation of the Group's properties at the valuation attributed thereto.**

PROFIT FORECAST LETTERS

The following are copies of letters received by the Board of the Company relating to the profit forecast for the year ending 31st December, 1973:—

Letter from Whinney Murray & Co.

57, Chiswell Street,
London EC1Y 4SY
2nd November, 1973.

The Directors,
Winston Estates Limited,
10, Bolton Street,
London, W1Y 8AU

Dear Sirs,

We have reviewed the accounting bases and calculations for the profit forecast of Winston Estates Limited, its subsidiaries, and associated company amounting to not less than £100,000 for the year ending 31st December, 1973 and for which the Directors are *solely responsible.*

In our opinion the forecast, so far as the accounting bases and calculations are concerned, has been properly compiled on the footing of the assumptions set out in the placing document dated 2nd November, 1973 and is presented on a basis consistent with *the accounting policies normally adopted by the Company and its subsidiaries.*

Yours faithfully,
WHINNEY MURRAY & CO.

Letter from Grenfell & Co.

62, London Wall,
London EC2R 7JL
2nd November, 1973.

The Directors,
Winston Estates Limited,
10, Bolton Street,
London, W1Y 8AU

Dear Sirs,

We refer to the Placing of 1,269,175 ordinary shares of 25p each of your Company. The document published in connection therewith contains a forecast of profits before taxation of your Company, its subsidiaries and associated company, for the year ending 31st December, 1973. We have discussed with you the bases and assumptions upon which such forecast was made and for which you as Directors are solely responsible, and we have considered the letter dated 2nd November, 1973 addressed to you by Whinney Murray & Co., regarding the accounting bases and calculations used by you in arriving at your forecast.

We consider that the forecast of the consolidated profits of your Company, its subsidiaries and associated company, for the year ending 31st December, 1973, has been prepared after due and careful deliberation.

Yours faithfully,
GRENFELL & CO.

VALUATION OF PROPERTIES

The following is a copy of a valuation made by Knight, Frank & Rutley, Surveyors and Valuers.

20, Hanover Square,
London W1R 0AH
1st July, 1973.

The Directors,
Winston Estates Limited.
10 Bolton Street,
London, W1Y 8AU

Dear Sirs,

In accordance with your instructions to value the freehold assets and one leasehold asset of Winston Estates Limited ("the Company") and its subsidiaries, we have made the necessary inspections and after due consideration of the factors involved write to inform you that we are of the opinion that the value of these assets as at 1st July, 1973 is in the total sum of £4,126,125, of which £52,000 is attributable to the leasehold.

Allocation of value and other relevant information pertaining to each respective property is given in Appendix A accompanying this report, and the basis of valuation together *with qualifications attaching thereto are set out in Appendix B.*

Yours faithfully,
KNIGHT, FRANK & RUTLEY.

APPENDIX A

(A) PROPERTIES HELD AS INVESTMENTS
FREEHOLD

	Property	*Description*	*Terms of Leases*	*Estimated Net Annual Current Rental Before Tax* £	*Present Capital Value in Existing State* £
London Postal Districts					
1. E.5	80 & 82 Amhurst Road	Two lock-up shops, each with basements; two flats on first and second floors.	Two leases expiring in 1977 and 1978	1,580	16,300
2. E.13	318 Barking Road, Plaistow	Shop with stockrooms on two upper floors.	21 years from 1968; rent reviews in 1975 and 1982	700	11,000
3. N.8	28 & 29 Topsfield Parade, Crouch End	Two inter-communicating shop units with storage in the rear; two maisonettes on three upper floors.	One lease for 20 years from 1973, with rent reviews every five years.	3,650	61,500
4. N.10	298/302 (even) Muswell Hill Broadway	Two half-shop units; two maisonettes on two upper floors.	Shops, each let for ten years from 1972 with reviews in 1977; flats let at rents subject to registration.	3,369	44,000
5. N.12	Robart House, Lodge Lane, Finchley	Six flats contained within two modern blocks, each on ground and first floors.	One flat let for five years from 1972; remainder "holding over". All rents registered. Landlord liable for external repairs and except for one flat, insurance.	1,874	33,500
6. N.13	409 Green Lanes, Palmers Green	Lock-up shop; flat on two upper floors.	21 years from 1962. Rent review in 1976.	1,500	20,800
7. N.14	179 Stanley Road, Oakwood	Lock-up shop, one of a modern parade; flat on two upper floors	Lease expires in 1981; rent review in 1974.	800	25,500
8. N.22	142 High Road, Wood Green	Shop, with stock and office accommodation on two upper floors.	Lease expires in 1974.	1,735	72,800
9. N.W.5	182/202 (even) Kentish Town Road, and Northumberland House, Kentish Town	A modern development embracing a parade of 11 lock-up shop units, with 26 flats on two upper floors.	*Shops:* One letting from 1972 with five-year reviews; *six from 1964/1967,* mostly on seven-year reviews. One letting from 1964 for 42 years without revisions.	21,600	500,000
			Flats: Let on three, five or seven year terms from 1969 to 1972 at regulated rents. Landlord liable for repairs to exterior, common parts, insurance and management.	8,735	
10. N.W.8	53/61 (odd) Abbey Road, St. John's Wood	A parade of six lock-up shops with basements; flats on two/three upper floors.	*Shops:* Two let for 21 years from 1968 with seven year reviews; two expiring in 1990/1991 without review. *Flats:* All let on one lease from 1952 for 38·5 years without review.	840	27,000
11. S.W.11	185 Battersea High Street	Shop with stockrooms on two upper floors.	14 years from 1968; review in 1975.	1,125	19,000
12. S.W.15	Avon Court, Keswick Road, Putney	A modern block of 48 one-room flats, on ground and three upper floors; 20 lock-up garages.	*Flats:* Let on three, five or seven year terms from 1968 to 1972, mostly at regulated rents. Landlord liable for repairs to exterior, common parts, insurance and management. *Garages:* Let on quarterly agreements.	14,063	270,000
13. S.W.15	197 & 199 Felsham Road, Putney	Shop with living accommodation at rear; separate flat on first floor.	28 years from 1962.	700	8,400
14. S.W.16	1180/1180a London Road, Norbury	Shop used as car showroom; workshop building at rear; maisonette on two upper floors.	Shop, lease expires 1976; flat, tenant holding over. Landlord liable for external repairs.	487	16,000
15. S.W.17	122 Mitcham Road, Tooting	Lock-up shop; flat on two upper floors.	14 years from 1961.	800	11,800
16. W.1	24 Crawford Place	Lock-up shop; living accommodation on three upper floors.	Lease expires in 1983; rent review in 1976.	880	14,200
17. W.1	95, 96, 97 Crawford Street	Modern development, embracing showroom with basement and nine flats on three upper floors.	The whole let on one lease for 21 years from 1966.	8,050	128,000
18. W.6	182, 182a, 182b King Street, Hammersmith	A corner property, consisting of two shops, with an upper part on two floors.	Two leases for 14 years from 1972, with rent reviews in 1979.	1,475	18,000
19. W.13	139/139a Northfield Avenue, West Ealing	Shop with store building at rear; flat on first floor.	21 years from 1953.	300	9,300
Outside London Postal Districts					
20. Aldershot	11 Wellington Street	Shop; stockrooms on basement and first floor, flat on two floors at rear.	21 years from 1957.	300	49,000
21. Bognor Regis	The Royal Norfolk Hotel	Hotel with 55 bedrooms, standing in 3·5 acres, overlooking sea.	Two leases, with 94 years unexpired; each subject to rent review at 21 year intervals.	16,129	173,000
22. Brighton	38/38a Gloucester Road	Workshop building on ground and two upper floors, with net floor area of about 2,000 square feet.	Seven years from 1968.	500	6,775
23. Brighton	21 Little Preston Street	Shop/showroom on ground, basement and two upper floors.	21 years from 1970. Rent reviews every seven years.	350	4,450
24. Brighton	24 Market Street and 1a/1c Bartholomews	Restaurant on ground floor and basement; showroom on first floor; flats on second and third floors.	21 years from 1971. Rent reviews every seven years.	3,625	84,700
25. Brighton	47 Market Street	Shop and basement; flat on first floor.	14 years from 1964.	1,200	18,100
26. Brighton	64 & 65 North Road, 36 & 38 Foundry Street	64 North Road comprises a shop with flat on two upper floors; the remainder an industrial unit, on ground, basement and two upper floors, with a net area of 1,165 square feet.	Shop and industrial unit—14 years from 1970 with reviews in 1977; flat three years from 1970. Landlord liable for repairs and insurance in case of 64 North Road.	1,225	15,000
27. Brighton	20 & 21 Prince Albert Street and 2a Nile Street	Three shop units, with basements: offices and flat on respectively first and second floors of Prince Albert Street; flat on first floor of 2a Nile Street.	The shops and offices are let on leases and subject to reviews in 1973, 1975 and 1977; the flats are occupied at controlled rents.	[illegible],000	33,000
28. Brighton	19 St. Georges Road, Kemp Town	Shop with flat on two upper floors.	21 years from 1958.	225	6,350
29. Cheam	Dallas Court, Dallas Road	A block of nine flats, together contained on ground, first and second floors; nine lock-up garages.	*Flats:* Three, five or seven year leases from 1967 to 1972 at rents subject to registration. Landlord liable for external repairs and management. *Garages:* Let on monthly tenancies.	2,739	55,000
30. Cheam	38/56 (even) High Street	A modern parade of ten shop units, with 20 flats on first and second floors. Two lock-up garages.	Eight shop units, each with two flats over, let for 14 years from 1964/1967, three with reviews or mutual breaks in 1973, one shop *with offices and flat over let* for 21 years from 1956; three flats let separately at rents subject to registration. Landlord liable for external repairs and insurance to three flats.	9,600	220,000
31. Chester	*Wirral Mercury Motor Inn*, Backford Cross	Newly erected motor inn with total of 102 bedrooms.	Two leases with 96 years unexpired; rental subject to review in 1991 and thereafter every 21 years.	37,770	373,500
32. Gidea Park	77/89 (odd) Main Road	A modern parade of seven shops with 14 flats on first and second floors.	Each shop is let with two flats for 22 years from 1959.	8,630	180,000
33. Goodmayes	1/8 (cons.) Brooks Parade and 1/8 (cons.) Brooks Mansions, Green Lane	A modern parade of five shops with eight flats on two upper floors; 26 lock-up garages.	*Shops:* Let for 21 years from 1965/1967, four with reviews in 1973, 1974, 1979 and 1981.	4,700	108,000
			Flats: Held on a variety of leases, one subject to "hold over", at rents subject to registration.	1,789	
			Garages: Occupied mainly on quarterly agreements.	867	
34. Hatch End	423 & 425 Uxbridge Road	*Lock-up shop, one of a* modern parade; flat on two upper floors.	14 years from 1965.	800	24,000
35. [illegible]	38/44 (even) The Common	A parade of four shop-units, each with a flat on first and second floors.	Three leases expiring or subject to review in 1976 and 1977.	3,050	36,000
36. Hayes, Middlesex	242/260 (even) Kingshill Avenue	A modern parade of ten shops, nine each with a flat on one upper floor; one with a flat on two upper floors.	Each *let for 21 years from* [illegible]	4,775	149,000
37. Haywards Heath	Robor Factory, Sydney Road	A range of factory buildings on the ground, first and second floors with a floor area of about 16,600 square feet.	42 years from 1963 with a review in 1984.	6,250	73,000
38. Hoddesdon	25 High Street	Walk round store, with storage accommodation at rear.	42 years from 1934. Landlord liable for structural repairs and upkeep of service road at rear.	190	17,000
39. Leatherhead	7, 9, 11 Bridge Street	A modern parade of three shops, with first floors over, two occupied as flats, [illegible]	Each let for 21 years from 1965/1966.	1,500	57,700
40. Little Bentley, Essex	Warrens Farm, fronting A.133, between Colchester and Weeley.	Agricultural land and farm buildings, about 112 acres; *petrol filling station and* cafe.	Two yearly tenancies; 99 years lease from 1946.	1,148	71,200
41. Leeds	114/122 (even), 114a, 116a, 122a Crossgates Road and 2/10 (even) Penarth Road, Crossgates	A modern parade of eight shops, with five flats on first floor level above.	*Shops:* Let for 7, 14 or 21 years from 1965/1968 with revisions in 1974 and 1979. *Flats:* Let at registered rents. Landlord liable for exterior repairs and insurance.	6,567	72,000

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Winston Estates Limited—*Continued*

	Property	Description	Terms of Leases	Estimated Net Annual Current Rental Before Tax £	Present Capital Value in Existing State £
New Milton	1/6 (cons.) Winston Parade	A modern parade of six shops, with six flats on two upper floors. 13 lock-up garages.	Each shop and flat let for 21 years from 1963/1967 with frequent rent reviews between 1974 and 1981.	5,030	67,000
Newquay	27 & 29 Cliff Road	A modern mixed development containing a ballroom, five shops and a restaurant.	99 years from 1967 with rent review every 21 years.	15,000	117,000
Orpington	102, 102a, 104 High Street	Two lock-up shops, one with a workroom at the rear; offices on two upper floors.	Leases expire and one subject to rent review in 1973, 1975 and 1977.	1,800	64,000
St. Ives, Cornwall	30 Fore Street	Two lock-up shops and one shop with a flat above.	All leases expire in 1986, with rent reviews in 1979.	2,400	31,500
St. Ives, Cornwall	1 Tregenna Place	Lock-up shop, with flat over.	Lease expires in 1986, with rent review in 1978.	1,600	24,000
Seaford	The Newhaven Mercury Motor Inn, Bishopstone	A recently-built motor inn with 70 rooms, mainly at ground floor level.	99 years from 1967, with rent reviews every 21 years.	10,653	116,500
Slough	18 High Street	Lock-up shop, with a flat on first floor	14 years from 1969 with a review in 1976.	850	27,000
Sutton Coldfield	"Hartley House", 24 Chester Road, New Oscott	A modern development containing a store on the ground floor, with four flats on the first floor over.	Two leases, each for 42 years from 1964, with a rent review in 1978	4,500	44,000
Thornton Heath	37/43 (odd) Brigstock Road	A parade of seven lock-up shop units, with flats above.	Leases expire or subject to to rent review in 1973 1976, 1977 and 1979. Flat occupied on a controlled tenancy.	1,900	37,000
Tolworth	466 Ewell Road	Lock-up shop; flat on first floor.	Leases expire in 1975.	250	6,500
Walton-on-Thames	5 Church Street	Lock-up shop, with a flat on two upper floors; storage buildings at rear.	Lease expires in 1977.	400	18,500
Welling	82 Bellegrove Road	Lock-up shop with yard at rear; flat on first floor.	Lease due to expire at end of 1973.	275	13,000
West Wickham	1/6 (cons.) Bell Parade	A modern parade of six shops; first floor part offices (1,639 square feet) and part showroom (845 square feet).	All lettings expire in 1976 except one shop lease, for 21 years from 1970, with reviews in 1977 and 1984.	4,375	146,500
Whyteleafe	Burntwood Lane	5·7 acres of pasture land.	Grazing licence, renewable annually.	24	17,000
Whyteleafe	Portley Wood Road	3·8 acres of woodland.	Vacant.	—	1,000
Windsor	77/91 (odd) Dedworth Road	A parade of eight shop-units, with upper parts on first floor, variously occupied for storage or as flats.	Leases expire or are subject to rent review in 1974, 1975, 1979 and 1981.	5,560	87,000
Worthing	1/4 (cons.) Half Moon Parade, Half Moon Lane, Offington	A modern parade of four shops with four flats over and four garages at the rear.	Each shop, flat and garage is let for 21 years from 1963/1968; rent reviews in 1975, 1977 and 1982.	4,436	48,000
Worthing	68, 70, 72 Heene Road	Walk-round store, with offices and stock-rooms on first floor.	Lease expires in 1986; rent review in 1976.	4,000	43,300
					£3,991,625

LEASEHOLD

	Property	Ground Lease	Description	Terms of Leases	Estimated Net Annual Current Rental before Tax £	Present Capital Value in Existing state £
Burnt Oak	50 & 52 Watling Avenue	99 years from 1926 (54 years unexpired) Ground rent £40 per annum.	Two intercommunicating shop units, with upper parts on two floors, one occupied as stock-rooms, the other as a flat.	Two leases each with 11 years unexpired.	3,260	£52,000

PROPERTY BEING DEVELOPED
FREEHOLD

Property	Description	Disposal Arrangements	Estimated Completion and Occupation Dates	Estimated Cost of completing the Development	Estimated Net Annual Rents After the Disposal of all Flats	Disposal Value (Note (i))	Capital Value of Investment Completed and Let (Note (ii))	Present Capital Value in Existing State
Prinsted, Old Yard, Old Road	A block of 10 flats, each with two bedrooms, accommodated within a building on three levels, at present under construction and nearing completion	It is proposed to sell six flats at £11,950 each and 4 flats at £11,750 each, subject to leases for 99 years, at ground rents of £35 per annum each, with service charges covering all outgoings	Completion of 5 flats by 31st December, 1973; remainder early 1974. Occupation 1st May, 1974	48,800	350	101,000	3,800	£82,500

Notes:
(i) Disposal Value. This figure indicates our opinion of the total realisable value of the development completed without taking account of investment income arising from creation of ground rents but allowing for disposal fees and profit.
(ii) Capital Value of Investment Completed and Let. This figure indicates our opinion of the capital value of the ground rents which constitutes the investment element in the development.

PROPERTY HELD FOR DEVELOPMENT IN THE FUTURE
FREEHOLD

Property	Description	Terms of Existing Leases	Estimated Net Annual Current Rental before Tax £	Present Capital Value £
Rochester, Vange Cottages, Beckfields	Cottage and 28 lock-up garages, the whole occupying a site of about 0·27 acre	Certain garages, tenancies terminable at one week's notice; otherwise vacant possession	228	£30,000

Notes:
(i) The property has the benefit of an outline Planning Permission for residential development, dated 30th June, 1972.
(ii) An application for six town houses has been made. It is understood that this is in the course of being granted, and our opinion of value is on this basis.

APPENDIX B

1. Except where stated to the contrary above, all properties are let on full insuring and repairing leases, with the tenants responsible for all outgoings.
2. The figures shown above for net income reflect to the best of our knowledge the position of actual net income [illegible] at the date of the valuation and do not take into account agreed additional income in theory payable as from now as a result of the operation of rent review clauses [illegible]
3. [illegible] on an investment basis in the open market as between a willing buyer and a willing seller with the benefit of the present leases [illegible]
4. It is assumed that the properties are free of any undisclosed onerous burdens, restrictions or charges.
5. All information as to tenancies and leases has been supplied to us by the Company and our valuations are on the assumption that there is a good and marketable title to the properties.
6. Descriptions of the properties were drawn up from details we obtained from visual inspections on the ground; [illegible]
7. We have not been instructed to carry out structural surveys nor can we state that the properties are free from structural defects, dry rot or other forms of infestation.
8. This valuation is operative as at the date of our report, viz. 1st July, 1973.

ACCOUNTANTS' REPORT

The following is a copy of the Report of the Reporting Accountants, Whinney Murray and Co., Chartered Accountants:

The Directors,
WINSTON ESTATES LIMITED, and GRENFELL & CO.

Gentlemen,
We have examined the audited accounts of Winston Estates Limited ("the Company") and its subsidiaries (described collectively as "the Group") for each of the accounting periods covering the five financial years ended 31st December, 1972 and the six months ended 30th June, 1973. We were first appointed auditors of the Company jointly with Stephenson Smart & Co., during the year ended 31st December, 1972. Previously Stephenson Smart & Co. were sole auditors of the Company and have been sole auditors of its subsidiaries during the period covered by this report.

A. ACCOUNTING POLICIES
The significant accounting policies adopted in arriving at the financial information set out below are as follows:
(1) Gross rents receivable from rental properties comprise rents from tenants and exclude the recovery of rechargeable expenditure.
(2) Property development sales comprise cash receipts from outside purchasers of development properties.
(3) Realised profits and losses on disposals of rental properties are taken or charged direct to reserves.
(4) Costs incurred in the procurement of mortgages are charged direct to reserves.
(5) No depreciation is provided on freehold properties. Long leasehold properties are amortised at rates calculated to write off evenly their cost over their leasehold term.
(6) Development land and work in progress is valued at cost. Full provision is made where necessary for estimated losses to completion.

B. PROFITS AND DIVIDENDS
The profits of the Group for the five financial years ended 31st December, 1972 and the six months ended 30th June, 1973, based on the audited group accounts and adjusted in such manner as we consider necessary were:

	Notes	Six months ended 30th June 1973 £	1972 £	1971 £	1970 £	1969 £	1968 £
INCOME	(i)						
Rental Properties							
Gross rents receivable		129,772	258,177	226,991	200,006	179,294	166,970
Expenditure relating to rental income		10,407	30,890	19,546	18,728	17,985	19,988
		119,365	227,287	207,445	181,278	161,309	146,981
Property Developments							
Sales		9,750	77,400	101,100	71,608	102,125	94,775
Cost of sales		7,331	52,582	86,269	54,295	90,470	79,392
		2,419	24,818	14,831	17,313	11,655	15,383
Other		753	1,825	556	242	380	180
		122,537	253,930	222,832	198,833	173,344	162,564
EXPENDITURE							
Management and office expenses		8,016	10,549	10,616	8,829	11,176	10,744
Directors' remuneration		2,375	5,850	3,750	5,750	6,750	6,000
Amortisation		331	662	664	575	958	958
Interest payable		61,888	129,093	128,963	118,889	92,783	84,105
		71,012	146,256	143,993	134,343	110,888	100,806
PROFIT BEFORE TAXATION		51,525	107,674	78,839	64,490	62,886	61,749
TAXATION		23,322	44,362	33,035	30,177	28,842	28,526
PROFIT AFTER TAXATION ATTRIBUTABLE TO SHAREHOLDERS		28,203	63,312	45,504	34,311	34,044	33,223
DIVIDENDS	(v)	21,481	41,208	40,000	32,500	30,000	30,000
Retained Profit		6,722	22,104	5,504	1,811	3,044	3,223
		Pence	Pence	Pence	Pence	Pence	Pence
EARNINGS PER SHARE	(vi)	0·58	1·36	1·14	0·86	0·83	0·83
DIVIDENDS PER SHARE (GROSS)	(vii)	1·36	1·05	1·00	0·81	0·75	0·75
DIVIDENDS—rate declared per share (net)		1·05	2·00	1·62	1·50	1·50	1·50

(i) The profits for 1972 and for the six months ended 30th June, 1973 include the profits of two subsidiaries acquired with effect from 31st March, 1972.
(ii) Under arrangements now in force the total emoluments of the Directors for the year ending 31st December, 1973 will amount to £6,950.
(iii) A Corporation tax rate of 50 per cent. from 1st April, 1973 has been assumed. The taxation charge for the six months ended 30th June, 1973 includes irrecoverable advance corporation tax amounting to £1,000, arising on the payment of the interim dividend.
(iv) The profit after taxation excludes both profits and losses on disposal of properties in the investment portfolio and mortgage procurement costs. During the period covered by this report such amounts dealt with through reserves were:

		Property Disposals £	Mortgage Procurement Costs £
Six months ended 30th June, 1973	Profit	18,853	
Years ended 31st December—1972	Loss	3,710	
—1971			
—1970			10,858
—1969			7,128
—1968	Loss	44	2,469

(v) An interim dividend of 1·75 per cent. (equivalent to a gross dividend of 2·5 per cent. including associated tax credit) was paid to shareholders on 17th October, 1973.
(vi) Earnings per share are based on the profit after taxation and the weighted average of shares in issue throughout each period as adjusted for the bonus issue of one new share for every one existing share in March, 1972.
(vii) Dividends per share have been adjusted for the bonus issue of one new share for every one existing share in March, 1972.

C. BALANCE SHEETS AT 30th JUNE 1973
The balance sheets of the Company and the Group at 30th June, 1973, based on audited accounts and incorporating the professional valuation at 1st July, 1973 were:

Company £	Company £		Notes	Group £	Group £
		FIXED ASSETS	(i)		
	2,559,300	Freehold properties			3,991,625
	52,000	Long leasehold properties			52,000
	2,611,300				4,043,625
	813,955	INVESTMENT IN SUBSIDIARIES			—
	49,196	INVESTMENT	(ii)		49,196
	3,474,451				4,092,821
		CURRENT ASSETS			
—		Development land and work in progress		75,882	
68,995		Debtors and prepayments		78,787	
25		Cash at bank and in hand		1,243	
	69,020				155,912
		Less: CURRENT LIABILITIES			
43,724		Creditors and accrued expenses		52,460	
43,882		Rent received in advance		60,176	
36,273		Taxation		81,631	
29,731		Bank overdrafts	(iii)	34,266	
17,926		Proposed dividends 1972 final		17,926	
21,481		1973 interim		21,481	
	(193,017)				(267,940)
	3,350,454				3,980,793
	(1,348,451)	Less: SECURED BORROWINGS	(iv)		(1,451,781)
	£2,002,003		(v(b))		£2,529,012
		ISSUED SHARE CAPITAL 4,927,266 Ordinary Shares of 25p each fully paid			
	1,231,817				1,231,817
	770,186	RESERVES	(v)		1,297,195
	£2,002,003				£2,529,012

Notes:
(i) The properties are stated at the valuation prepared by Knight, Frank and Rutley at the 1st July, 1973 on an investment basis in the open market as between a willing buyer and a willing seller with the benefit of the present leases. The net surplus arising on this re-valuation amounted to £1,008,191.
(ii) The investment comprising 735 £1 Ordinary Shares at par and an unsecured loan of £48,461 is in an associated company which commenced trading during May 1973. In the opinion of the Directors this investment is worth not less than the amount at which it is included in the Company's and the Group's balance sheets.
(iii) The Bank overdrafts comprise:

	Company £	Group £
Secured	29,731	31,410
Unsecured	—	2,856
	£29,731	£34,266

The Unsecured overdraft is in a subsidiary company and is guaranteed by the Company.
(iv) Secured borrowings comprise the following mortgages on properties repayable at par:

Interest Rate %	Repayment Terms	Company £	Group £
6½	25 years from June 1970	398,405	398,405
7½	25 years from December 1971	313,721	313,721
7½	25 years from December 1973	122,000	122,000
7½	25 years from December 1974	50,000	50,000
8	25 years from June 1975	250,000	250,000
9½	25 years from September 1977	53,000	53,000
9½	20 years from January 1975	161,325	264,655
		£1,348,451	£1,451,781

(v) (a) Reserves consist of:

	Company £	Group £
Share premium account	108,648	108,648
Other reserves—		
Retained profit and other realised profits less losses	51,096	84,683
Surplus on revaluation of properties	610,442	1,103,864
	£770,186	£1,297,195

(b) A liability to taxation on chargeable gains amounting to £400,000 based on time apportionment would arise in the event that the properties were realised at their revalued amounts before 31st December, 1973 and no provision has been made therefor.
(vi) The Group had no commitments for capital expenditure, whether contracted for or authorised by the Directors, at 30th June, 1973.
(vii) The Company has guaranteed the bank overdraft of the associated company to a maximum of £122,500 which together with £127,500 guaranteed by Leisure and General Holdings Limited provide maximum facilities of £250,000. Certain freehold properties of the Group have been charged to secure this facility. At 30th June, 1973 the overdraft amounted to £241,200.

D. SUMMARISED GROUP BALANCE SHEETS
The adjusted balance sheets of the Group at the end of each of the five financial years ended 31st December, 1972, together with that of the 31st December, 1967 to give the opening position at 1st January, 1968 were:

At 31st December	1972 £	1971 £	1970 £	1969 £	1968 £	1967 £
FIXED ASSETS						
Freehold properties	2,715,766	2,508,884	1,845,753	1,636,120	1,746,880	1,613,478
Long leasehold property (at net book value or valuation)	308,489	309,151	303,010	303,985	85,494	86,450
	3,024,255	2,818,035	2,148,763	1,940,105	1,832,374	1,699,928
INVESTMENT	25,576	—	—	—	—	—
	3,049,831	2,818,035	2,148,763	1,940,105	1,832,374	1,699,928
CURRENT ASSETS						
Development land and work in progress	38,996	26,049	51,821	57,138	86,236	57,112
Debtors and prepayments	139,428	62,364	55,840	51,889	31,190	21,358
Cash at bank and in hand	125	125	125	150	446	340
	178,549	88,538	107,786	109,177	117,872	78,810
Less: CURRENT LIABILITIES						
Creditors and accrued expenses	65,625	32,337	43,976	87,470	42,421	18,934
Rent received in advance	62,412	64,423	53,412	43,125	35,770	33,527
Taxation	47,904	91,170	79,369	120,091	113,417	62,989
Bank overdrafts	78,573	150,956	99,331	118,830	143,174	124,757
Proposed dividends	41,208	22,500	15,000	12,500	12,500	10,000
	(293,722)	(361,386)	(291,088)	(382,016)	(348,282)	(247,187)
	2,934,758	2,555,207	1,965,461	1,667,266	1,603,964	1,531,551
Less: SECURED BORROWINGS	(1,458,612)	1,462,481	(1,472,035)	(1,166,498)	(1,099,185)	977,185
Less: LOAN		49,485				50,000
		(1,511,966)				(1,027,185)
	£1,476,146	£1,043,241	£493,426	£500,768	£504,779	£504,366
ISSUED SHARE CAPITAL	1,218,750	500,000	500,000	500,000	500,000	500,000
RESERVES (see below)	257,396	543,241	(6,574)	768	4,779	4,366
	£1,476,146	£1,043,241	£493,426	£500,768	£504,779	£504,366

RESERVES MOVEMENTS:

	1972 £	1971 £	1970 £	1969 £	1968 £
Balance at 1st January	543,241	(6,574)	768	4,779	4,366
Retained earnings	22,104	5,504	1,811	3,044	3,223
Sundry transactions (ii)	(3,710)	(90)	(9,153)	(7,055)	(2,810)
Re-valuation surpluses	46,365	544,401			
Reserve arising on acquisition	47,281				
Premium on issue of shares	102,115				
Amount applied in bonus issue	(500,000)				
Balance at 31st December	£257,396	£543,241	(£6,574)	£768	£4,779

Notes:
(i) The aforegoing statement does not reflect certain transfers which have been effected between reserves during the period.
(ii) Sundry transactions comprise minor capital items, including the property disposal profits and losses, and the mortgage procurement costs set out in note (iv) of Section B of this Report.

E. ACCOUNTS
No audited accounts have been prepared for any period subsequent to 30th June, 1973.

Yours faithfully
WHINNEY MURRAY & CO.
Chartered Accountants

London.
2nd November, 1973.

STATUTORY AND GENERAL INFORMATION

CAPITAL

The Company was incorporated in England as a private company on 8th June, 1960 and became a public company on 1st August, 1963.

On 1st November, 1971 being two years preceding the date of this document the authorised share capital was £500,000 divided into 2,000,000 Ordinary Shares of 25p each all of which were in issue and were fully paid. On the 19th April, 1972 (i) the authorised share capital was increased to £1,500,000 by the creation of an additional 4,000,000 Ordinary Shares of 25p each and (ii) the sum of £500,000 standing to the credit of share premium account and capital reserve account was capitalised by the issue, credited as fully paid, of 2,000,000 Ordinary Shares of 25p each. On the 13th June, 1972 a further 875,000 Ordinary Shares of 25p each were allotted to the vendors of the issued share capital of Flatau Limited (Contract (6) below). On the 1st May, 1973 a further 52,266 Ordinary Shares of 25p each were allotted as part consideration for the Company's acquisition of its interest in the Kennford Motel (Contract (9) below). Prior to the conditional allotment of the shares referred to below, the authorised share capital of the Company was £1,500,000 divided into 6,000,000 Ordinary Shares of 25p each of which 4,927,266 were issued and fully paid.

AGREEMENT WITH GRENFELL & CO.

Under Contract (1) below which is conditional upon the whole of the issued ordinary share capital of the Company being admitted to the Official List of The Stock Exchange not later than 23rd November, 1973, Grenfell & Co. has agreed to subscribe 571,428 Ordinary Shares of 25p each at a price of 33·5p per share and to purchase from Eagle Star Insurance Company Limited (207,000 shares) Stanley Joseph Passmore (11,800 shares), Marjorie Rose Reith (10,000 shares), Joan Florence Passmore (40,400 shares), Joan Florence Passmore and Trevor Stanley Passmore (15,000 shares), Robert John Flatau (67,800 shares), Geoffrey Henry Weatherley Flatau (29,800 shares), Geoffrey Henry Weatherley Flatau, Joan Florence Passmore and Robert John Flatau (13,000 shares), Priestgate Trust Limited (105,147 shares), Alice Bertha Sinclair, Trevor Stanley Passmore and Reginald Sutcliffe (32,600 shares), Trevor Stanley Passmore, Annie Elizabeth Itter and Arthur Richard Itter (32,000 shares), Trevor Stanley Passmore and David Robert Poole (21,200 shares), Trevor Stanley Passmore and Hilda Irene Naldrett (32,000 shares), Trevor Stanley Passmore and Marcus Wise Wadsworth (80,000 shares), as Vendors an aggregate of 697,747 Ordinary Shares of 25p each at a price of 34p per share. The Shares so agreed to be subscribed for and purchased as aforesaid aggregating 1,269,175 Ordinary Shares will be placed by Grenfell & Co. at a price of 34p per share. This Contract provides *(inter alia)* that the Company will pay all the costs and expenses of and incidental to the application for listing on The Stock Exchange, which are estimated to amount to £47,000, including a fee of £14,070 to Grenfell & Co. who will be responsible for paying their own legal expenses and the stamp duty on the aforesaid 697,747 Ordinary Shares.

SUBSIDIARY AND ASSOCIATED COMPANIES

The following is a list of the Company's subsidiary and associated companies all of which were incorporated in England as private companies and all of which are wholly owned with the exception of Mercury which is 49 per cent. owned:

Name of Company	*Date of acquisition*	*Activity*	*Issued Capital*
Winston Properties Limited	16th October, 1961	Property holding	£100
Perowne Estates Limited	29th August, 1962	Property holding	£25,000
Flatau Limited	13th June, 1972	Property holding	£50,010
Flatau Investments Limited*	13th June, 1972	Property holding	£9,982
A. H. Developments Limited	9th August, 1961	Residential estate developments	£1,000
Mercury Motor Inns (Devon) Limited	27th April, 1972	Motel owning and operating	£1,500

*Flatau Investments Limited is not directly owned by the Company being a wholly owned subsidiary of Flatau Limited.

DIRECTORS' SHAREHOLDINGS AND OTHER INTERESTS

After the Placing the Directors and their families, as defined by the Regulations of The Stock Exchange, will be interested in the shares of the Company as shown below:

	Beneficial	*Non-Beneficial*
Stanley J. Passmore	54,200	55,058
Trevor S. Passmore	69,046	1,047,760
P. T. D. Guyer	22,000	—
D. R. G. Marler	8,000	—
D. M. Mountain	8,000	—
D. R. Poole	13,600	99,380

Mr. Stanley J. Passmore is a former Senior Partner and Mr. Trevor S. Passmore is the present Senior Partner in the firm of J. D. Langton & Passmore, Solicitors, who, as Solicitors to the Company, will be paid a fee for their services in connection with the Placing.

Mr. D. R. Poole is the Managing Director and the beneficial owner of all the issued share capital of Moorgate Secretaries Limited which has been appointed Manager to the Company (Contract (5) below). The commission in respect of rents collected for the year ended 31st December, 1972 amounted to £9,140, and is equivalent to that now chargeable under the said contract.

Mr. Trevor S. Passmore is related by marriage to all three Vendors of the shares of Flatau Limited (Contract (6) below).

In addition to the interest of Mr. Trevor S. Passmore referred to above which exceeds 10 per cent. of the issued share capital of the Company, Eagle Star Insurance Company Limited will, after the Placing hold 17·7 per cent. of such issued share capital. Except as above, the Directors are not aware of any holding of 10 per cent. or more of the issued share capital nor except as disclosed herein of any contract of significance subsisting with the Company or any of its subsidiary or associated companies in which any Director is interested and which has been entered into during the preceding two years.

Save as disclosed herein no Director is interested directly or indirectly in the promotion of or in any assets which have, within 2 years preceding the date of this document been acquired or disposed of by or leased to the Company or any of its subsidiary or associated companies, or are proposed to be acquired, disposed of by or leased to the Company or any of its subsidiary or associated companies nor is there any contract or arrangement subsisting at the date hereof in which any Director is materially interested and which is significant in relation to the business of the Group taken as a whole.

Mr. D. R. Poole proposes to purchase a flat from Developments at its market value.

ARTICLES OF ASSOCIATION

The Articles of Association of the Company contain provisions, *inter alia,* to the following effect:

(a) subject and without prejudice to any special rights, privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company, at any General Meeting on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by proxy or by a representative duly authorised under Section 139 of the Companies Act, 1948, not being himself a member, shall have one vote and in case of a poll every member present in person or by proxy shall have one vote for each share of which he is the holder;
(b) borrowings by the Group (other than inter-Group borrowings) shall not at any time without the previous sanction of the Company in General Meeting exceed a sum equal to three times the aggregate of the nominal amount of the issued and paid up share capital of the Company and the consolidated reserves (as defined in the Articles of Association);
(c) the Directors shall be entitled to receive by way of remuneration for their services such sum as they shall from time to time determine up to a maximum aggregate sum of £10,000 per annum. If by arrangement with the other Directors any Director shall perform or render any special duties or services outside his ordinary duties as a Director, the Board may pay him special remuneration, in addition to any fees or ordinary remuneration. The Directors shall also be entitled to be paid all travelling, hotel and other expenses incurred by them in or with a view to the performance of their duties as Directors including their expenses of travelling to and from meetings of the Directors or Committees of the Directors or General Meetings of the Company;
(d) the Board may appoint any one or more of its body to an executive office of the Company for such period at such remuneration and on such terms as it may think fit and no such Director shall be subject to retirement by rotation while he holds such office;
(e) a Director may be appointed by the Board to any other office or place of profit under the Company except that of auditor, for such period on such terms and at such remuneration as the Board may determine; no Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise;
(f) the Board may establish and maintain or procure the establishment and maintenance of any contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time Directors of the Company or of any company which is a subsidiary of the Company or is allied or associated with the Company or with any such subsidiary company, and holding or who have held any salaried employment or office in the Company or such other company, and their wives, widow, families and dependants. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument. Any Director may vote as a Director in regard to any matter relating to any superannuation or pension fund notwithstanding that he may himself be or about to become a member of or contributor to such fund;
(g) the statutory provisions as to an age limit for Directors do not apply;
(h) no Director shall be required to hold any shares by way of qualification;
(i) save for certain limited circumstances a Director shall not be entitled to vote or be counted in the quorum present at any meeting in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest (as defined) but the Company may by ordinary resolution suspend or relax such restrictions to any extent.

CONTRACTS

The following Contracts, not being contracts in the ordinary course of business, have been entered into within the two years immediately preceding the date of this document and are or may be material:

(1) Dated 1st November, 1973 and made between (i) the Company (ii) the Directors (iii) the persons named in the First Schedule thereto and (iv) Grenfell & Co. being the Agreement referred to above relating to the subscription and purchase by Grenfell & Co. of a total of 1,269,175 Ordinary Shares of 25p each of the Company.
(2) (3) and (4) All dated 12th January, 1972 and made between (i) the Company and (ii) Trevor S. Passmore, P. T. D. Guyer and D. R. Poole respectively whereby the Company appointed each such person to be an Executive Director for a term of five years from 1st January, 1972. The Agreements provide for salaries in each case of a sum to be agreed from time to time. The present salaries of the three Directors have been agreed at £1,250 each per annum.
(5) Dated 25th October, 1973 and made between (i) the Company and (ii) Moorgate Secretaries Limited providing for the appointment of the latter company as Manager of the Company's properties for a period of 5 years at an annual fee of £4,200 plus commission on rents collected at a rate of 3·65 per cent.
(6) Dated 13th June, 1972 and made between (i) Geoffrey Henry Weatherley Flatau, Joan Florence Passmore and Robert John Flatau and (ii) the Company providing for the acquisition by the Company of the whole of the issued share capital of Flatau Limited for a consideration consisting of the allotment credited as fully paid of 875,000 Ordinary Shares of 25p each of the Company. The Company allotted these shares at a premium of 50 per cent. and accordingly, the consideration was equivalent to £328,125.
(7) Dated 25th October, 1973 and made between (i) the Company and (ii) Lloyds Bank Limited appointing the latter Registrar to the Company at a fee varying with the number of shareholders with a minimum of £550 per annum.
(8) Dated 11th September, 1973 being a Guarantee to Channel International Bank Limited whereby the Company guaranteed the overdraft facilities granted to Mercury up to a maximum sum of £122,500.
(9) Dated 17th March, 1972 being Heads of Agreement between (i) Richard Percival Brend and Alfred John Michael Maidlow Davis (ii) Leisure and General Holdings Limited and (iii) the Company for the purchase of land at Kennford near Exeter, Devon for the sum of £90,000 satisfied as to £50,000 in cash and as to £40,000 by the allotment of shares, credited as fully paid, in Leisure and the Company.

GENERAL

Save as disclosed herein (i) no share or loan capital of the Company or any of its subsidiaries is under option or agreed conditionally or unconditionally to be put under option (ii) no share or loan capital of the Company or any of its Subsidiaries has within the two years preceding the publication of this document been issued or agreed to be issued or is now proposed to be issued either for cash or otherwise (iii) no commissions, discounts, brokerages or other special terms have been granted within the said two years by the Company or any of its subsidiaries in connection with the issue or sale of any part of their respective share or loan capitals (iv) neither the Company nor any of its subsidiaries is engaged in or has any litigation or claim of material importance pending or threatened by or against it. No material issue of shares (other than to shareholders *pro rata* to existing holdings) will be made within one year of the date of this document without the prior approval of the Company in General Meeting.

The Directors have been advised that immediately following the Placing and on the basis of the information now available the Company will not be a close company as defined in the Income and Corporation Taxes Act, 1970. Shortfall clearances under the relevant legislation have been obtained for all periods up to 31st December, 1972.

Under Contract (1) above appropriate taxation and estate duty indemnities have been given to the Company and to Grenfell & Co.

For the purposes of paragraph 4 of Part I of the Fourth Schedule to the Companies Act, 1948 the minimum amounts which, in the opinion of the Directors, must be raised by the issue of the 571,428 Ordinary Shares of 25p each included in the shares to be placed are (i) nil, (ii) £14,070 for the fee payable to Grenfell & Co., (iii) nil, (iv) £144,000 for working capital.

CONSENTS AND DOCUMENTS

Whinney Murray & Co., Knight, Frank & Rutley and Grenfell & Co. have given and not withdrawn their respective consents to the issue of this document with the inclusion of their Reports in the form and context in which each respectively appears herein. The above mentioned consents, a statement of the adjustments made by Whinney Murray & Co. in arriving at the figures set out in their Report and the reasons therefore and copies of the Contracts listed above have been attached to the copy of this document delivered to the Registrar of Companies for registration.

Copies of the following documents will be available for inspection at the offices of Linklaters & Paines, Barrington House, 59/67 Gresham Street, London EC2V 7JA during usual business hours on any weekday (excluding Saturdays) for a period of fourteen days from the date of publication of this document.

1. The Memorandum and new Articles of Association (adopted on 19th October, 1973) of the Company.
2. The Audited Accounts of the Company and its subsidiaries for the years ended 31st December, 1971 and 31st December, 1972 and the six months ended 30th June, 1973.
3. The documents delivered to the Registrar of Companies referred to above.
4. The Valuation of Knight, Frank & Rutley.

Dated 2nd November, 1973.

ASTMS puts £3.5m. meat cargo at risk

By Our Labour Correspondent

THE ASSOCIATION of Scientific, Technical and Managerial Staffs is threatening to cut off supplies of liquid nitrogen to 350 containers of refrigerated perishable food trapped in Tilbury docks by ASTMS industrial action.

If this threat is carried out, more than £3.5m. of refrigerated meat, mainly Australian and New Zealand lamb, could be ruined.

The dispute involves some 120 ASTMS members at Associated Container Transport depots at Basildon and Manchester who have been on strike for the past three weeks. They are demanding a sum of £1,500 with which to remove alleged anomalies which they maintain persist despite a recent pay settlement.

ACT claims that it is already paying maximum increases allowable under Stage Two limitations. Yesterday negotiations broke down with the ASTMS rejecting a management proposal that a Department of Employment conciliator or an independent arbitrator should be brought in.

The strikers who deal with documentation for the containers, have successfully picketed Tilbury, trapping imported ACT containers and preventing export containers from entering the dock.

Lawyers urge 'bug' licences

STRICT CONTROLS on making, selling or possessing "bugging" equipment is called for to-day by the Law Society.

It urges the Home Office to consider introducing "rigorous" licensing measures.

In a statement outlining the proposals, the society suggests listing certain types of device which "except in the hands of police, and, perhaps, certain other narrowly-defined bodies, can have no justifiable use, such as miniaturised bugging equipment."

The Home Secretary had said there were difficulties of definition in a recommendation by the Younger Committee that surreptitious surveillance by device should be made a criminal offence. The society has told him their plan could help solve this problem.

JUNCTION SCHEME TO COST £123,000

The improvement of the A316-Hospital Bridge Road junction at Twickenham has been approved by the Greater London Council's west area Board. It will cost about £123,500. The scheme includes widening the approaches to the roundabout, which will be reduced in size, and extending pedestrian guard railings. The zebra crossing west of the roundabout will be removed and a new one installed across Hospital Bridge Road.

This week's SE dealings

Friday, November 2	7,885	Wednesday, October 31	8,339	Monday, October 29	9,139
Thursday, November 1	7,180	Tuesday, October 30	8,247	Friday, October 26	8,354

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in brackets).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ◆ Bargains done previous day. ‖ Bargains done with members of a recognised Stock Exchange. ◆Δ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian. $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Mx—$Mexican; $NZ—$New Zealand. $S—$Singapore; $US—$United States. $WI—$West Indian.

BRITISH FUNDS (487)

[illegible]

INTERNATIONAL BK. STK. (2)

[illegible]

CORPN. & COUNTY—U.K. (49)

[illegible]

COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (33)

[illegible]

COMMONWEALTH CORPN. STOCKS (1)

[illegible]

FOREIGN STKS., BDS., ETC. (7)

[illegible]

CORPORATION STOCKS—FOREIGN (—)

[illegible]

U.K. AND COMMONWEALTH RAILWAYS (4)

[illegible]

PUBLIC BOARDS, ETC.—U.K. (15)

[illegible]

FOREIGN RAILWAYS (3)

[illegible]

BANKS & DISCOUNT COS. (324)

[illegible]

BREWERIES & DISTILLS. (1...)

[illegible]

COMMODITIES/Review of the week

Sugar reaches new peak of £108

BY OUR COMMODITIES STAFF

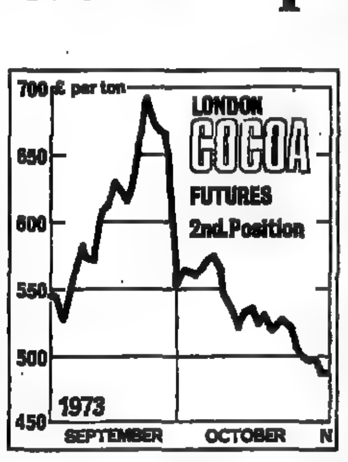
THE LONDON daily sugar price was marked up yesterday by £2 to an all-time peak of £108 a ton. Values on the futures markets also reached new highs, stimulated by a number of influences, although there were few physical transactions to justify the move to higher levels.

Reports that Spain had large import requirements triggered the upward move. This report was followed by confirmation of a Japanese ban on the use of saccharin and reports of Cuba-Japan negotiations for supplies next year with Japan apparently prepared to pay a high price in its search for extra supplies.

The market was also boosted by the EEC decision to suspend its weekly export sales offering while the effect of cutting planned exports from the Community by about ½m. tons is considered.

Finally, the U.S. Department of Agriculture announced yesterday that it was raising the current year's sugar supply quota by 100,000 to 11.7m. short tons and making available an extra 123,000 tons of imports from foreign suppliers on or before December 26 on a "first come first served" basis, because of a shortfall from domestic and overseas suppliers.

In contrast the cocoa market has been going the other way—downwards. The March position closed last night at £484.75 a ton, £21.50 lower than a week ago.



A bigger than expected Ghana main crop purchase figure of over 14,000 tons upset the market at a time when there is increasing pessimism about the downturn in consumption in the main producing countries as a result of recent high prices. With West African crops looking slightly better than expected, and a record Brazilian outturn forecast, some London dealers feel that supply and demand could come into balance next year. They believe present prices are too high, although underpinned by a continuing shortage of nearby supplies.

A further depressing influence in the market was a report that 5,000 tons of cocoa had been sold by Ghana, although this was categorically denied yesterday by the Ghana Cocoa Marketing Board.

The company claimed it had taken considerable advantage of the market over the past months and was in an extremely well-sold position.

Prices on the London Metal Exchange market have seesawed this week, particularly in the case of copper. The Middle East ceasefire, and worries that fuel shortages will create a decline in industrial demand for metals, undermined the markets initially and encouraged speculative profit taking and short selling. Subsequently, however, the shortage of immediately available supplies reasserted its influence, especially in the copper and zinc markets. Values regained most of the earlier losses as cash prices were forced up. Lead followed the trend in copper, falling sharply early in the week and then rallying strongly.

Tin was an exception, with prices advancing sharply early in the week, tending to decline later on speculative profit-taking. The main feature has been a steep rise in the Penang market in Malaysia, well into the upper price range of the International Tin Agreement in which the buffer stock is permitted to start operating again as a net seller.

WEEKLY PRICE CHANGES

	Latest price per ton unless stated	Ch'ge on week	Year ago	1973 High	1973 Low
Metals	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Spices					
Cloves	£1,760	+40	£1,5..	£1,760	£1,620
Pepper, White	£832.5	+32.5	£596	£1,000	£545
Black	£560	+80	£405	£845	£373
Oils	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Seeds	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Grains	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other Commodities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

MARKET REPORTS

BASE METALS

[illegible]

SILVER

[illegible]

RUBBER

[illegible]

COCOA

[illegible]

SUGAR

[illegible]

COFFEE

[illegible]

GRAINS

[illegible]

FREIGHTS

[illegible]

JUTE

[illegible]

WOOL FUTURES

[illegible]

MEAT/VEGETABLES

[illegible]

U.S. MARKETS

[illegible]

FINANCIAL TIMES				
Nov. 2	Nov. 1	Month ago	Year ago	
177.01	176.95	185.73	98.67	

(Base: July 1, 1952=100)

REUTER'S				
Nov. 2	Nov. 1	Month ago	Year ago	
1181.5	1167.9	1179.3	666.6	

(Base: Sept. 18, 1931=100)

DOW JONES

[illegible]

MOODY'S

[illegible]

CANALS & DOCKS (13)

COMMERCIAL, INDUSTL. (4,168)

A—B

C—D

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

W—Y—Z

GAS (24)

INSURANCE (161)

INVESTMENT TRUSTS (447)

ELEC. LIGHTING & POWER (12)

FINANCIAL TRUSTS, ETC. (341)

UNIT TRUSTS (3)

IRON, COAL & STEEL (76)

MINES

Australian (36)

Miscellaneous (116)

Rhod. & E. African (14)

South African (106)

West African (7)

Diamond (21)

OIL (240)

PROPERTY (774)

RUBBER (42)

SHIPPING (83)

TEA & COFFEE (10)

TELEGRAPHS & TELEPHS.

TRAMWAYS & OMNIBUS (3)

WATERWORKS (9)

SPECIAL LIST

NOVEMBER 2 (nil)

NOVEMBER 1 (nil)

OCTOBER 31 (1)

OCTOBER 30 (1)

OCTOBER 29 (—)

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the Official List.

NOVEMBER 2

NOVEMBER 1

OCTOBER 31

OCTOBER 30

OCTOBER 29

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Oct. 23	Nov. 5	Jan. 24	Feb. 5
Nov. 6	Nov. 19	Feb. 7	Feb. 19
Nov. 20	Dec. 3	Feb. 21	Mar. 5

The Option market yesterday remained quiet. Calls were taken out in GRA Property Trust, National Sunlight, Southern Pacific Properties, Comet Radiovision, Scottish and Newcastle, British Leyland, Atlatnic Ass warrants, Myson, Tranmer, Sl Darby, Carding Investmen House of Fraser, Allied Inve ment, London City and Westl Raglan Property, Cons. Plan tions, J. W. Pickles, and He Kong Land. Puts were done British Petroleum, Davies Newman and House of Fra while double-options we aranged in Amalgamated Inve ment, Shipping Industrial

Industrials							
		Glaxo	25	Slater Walker	12	Mines	
		Grand Met.	8	Spillers	5	Anglo Amer.	
A.P.Cement	16	G.U.S."A"	12	Tesco	6	BrokenHillProp	
Assoc. Leisure	4	*Guardian*	29	*Thorn 'A'*	24	*Cast*	
Barclays Bank	20	G.K.N.	13	Tube Invest.	30	Charter Cons.	
Beecham	20	Hawker Sidd.	30	Unilever	23	Charterhall Fin	
Boots Drug	17	I.C.I.	15	Utd Drapery	10	Cons. Gold	
Bowaters	12	"Imps"	5½	Vickers	9	De Beers Def.	
B.A.T	15	I.C.L.	11	Woolworths	6	F. S. Geduld	
BritishLeyland	2½	Inveresk Paper	4			Great Boulder	
BritishOxygen	6	Jessel Sec.	9	Property	—	Hampton Areas	
Burton 'A'	15	Legal &General	20	Cap Counties	13	Hampton Prop	
Cadbury's	6	Lloyds Bank	20	Land Securities	15	Kloof	
Cannon St.	7	"Lofs"	9	Peachey	12	Lonrho	
Courtaulds	6	"Mams"	13	Star (Br. Britain	15	Loraine	
Debenhams	9	Marks&Spencer	12	Town & City	13	Metals Explor.	
Distillers	10	March (L.)	9	Town & Comm.	15	Poseidon	
Dunlop	8	Midland Bank	20			Pres Steyn	
Eldridge Stiefd	6	Natl.West Bank	20	Oils		Rio T. Zinc	
E.M.I.	12	P & O Dfd	25	Brit. Petroleum	21	Welcom.	
First National	7	Plessey	9	Burmah Oil	21	West Areas	
G.R.A. Trust	5	R.H.M.	6	Oilsearch	3	Western M'ng	
Gen. Accident	13	Rank Org. "A"	35	Shell	18	*Zambia Copper*	
Gen. Electric	9	Reed Intl.	25	Ultramar	18		

REGIONAL MARKETS

Prices in pence and denominations of 25p unless otherwise stated

BELFAST

B'fast 6½%20	£66½	......
Finlay Pkg (5p)	26	......
Hughes (B) (£1)	120	......
N Irish Se't Inv	39½	......

IRISH EXCHANGE

Exeq. 6½%80/85	£67.75	......
Alliance Gas £1	91	......
Carroll (P. J.)	156	......
Conc. Prod. Ire.	160	+5
Clondalkin	69	......
Goodbody (£1)	95	—2
Helton (Hldgs)	75	—2
Irish Distillers	95	......
Irish Wire Bd.	88	......
Jacob	70	—2
Smith Grp 10p	40	......
Sunbeam	54	......
Unidare	82½	+½

MIDLANDS & WESTERN

Bham Post A	55½	......
Econa 10p	53	......
Evans F.W.10p	37½	......

Evered	59½	......
Fr'st&Ree(50p)	245	......
Gardiner £1	67½	......
Greig Sh'pn£1	740	......
Hal'mSl'gh10p	20½	......
Kleen-e-ze	56	......
Lovell's Ship£1	200	......
Pearce (C.H.)	120	......
Sindall (Wm.)	117	......
Vincent (H.)	129½	......

NORTHERN EXCHANGE

Albany Inv 20p	22½	......
Ash Spinning	55	......
Booth Chas 10p	18	......
Brady (G.) 'A'	[illegible]	......
Br'watrEst50p	382½	......
Brt Nth'p (50p)	90	......
Bury Ring (20p)	23	......
Clover Croft	52	......
Dyson R.A. 'A'	65	......
Ellen road	61	......
EngNatInvPf.	30¾	......
Do. Deferred	45	......
Ere Ring	42	......

Gardner (L.)	160
Hartl'y Ind 20p	42½
Higson Brew.	126
HoltJos'ph25p	125
I.O.M. Stm £1	132½
KellonCem£1	925
Nichols Vim	103
NthnGld'mth	129½
P.M.A.	170
Peel Mills	28
SayersCon12½	33
Shiloh Spinn.	36
SwanLan33p	58
Turn'r But 20p	72
Wood (Ed)	20½
WodwnHl2½p	40

SCOTTISH EXCHANGE

Bertams	47½
Craig&Rose£1	430
Dundee Ice £1	165
DundeeCrm£1	300
Ellis & McHdy	57
Fife Forge	68
Hill (Wylie)	114
Lees (JJ) (10p)	34
Richards (10p)	22

ERRATA

[illegible]

CORAL INDEX

Close 429-434

NEW "HIGHS" AND LOWS" FOR 1973

[illegible]

NEW "HIGHS" (71)

[illegible]

NEW "LOWS" (29)

[illegible]

RISES AND FALLS YESTERDAY

[illegible]

SHARE INFORMATION SERVICE: NOTES

[illegible]

MONEY + EXCHANGES

Weaker interest rates

Bank of England Minimum Lending Rate 11¼% (since October 19, 1973)

Short-term interest rates in the London Money market were weaker on the whole yesterday, with the one-month sterling certificate yield falling to 12⅛-12 per cent., from the previous 12 7/16-12¼ per cent., the three-month to 12 9/16-12 7/16 per cent., from 12 11/16-12 9/16 per cent., and the one-year (appreciably less sharply) to 12⅞-12¾ per cent., from 12 15/16-12¾ per cent., while the Treasury bill rate was reduced a further 0.0679 per cent. to 10.6017 per cent., a level which, however, was not sufficiently low to cause a change in the Bank of England Minimum Lending Rate (of 11¼ per cent.). Identified factors suggested a heavy surplus of day-to-day credit, with banks having carried over a substantial surplus from the previous day, and with new factors leaning, if leaning at all, in the market's favour. But the market found difficulty in reconciling the apparent situation with that suggested by the factors to be picked out, and the authorities made no intervention.

Government disbursements, partly, it seemed, on VAT account, were greater than revenue transfers to the Exchequer, and transactions on behalf of Bank of England customers (possibly to some extent on oil account) were also in the market's favour. The authorities held maturing bank bills, however, and there was a rise in the note circulation. Discount houses bid 10¼-10¾ per cent. for secured call loans in the earlier part, but late balances were found at 6-8¾ per cent. In the inter-bank market, overnight loans opened around 11¼-11⅞ per cent., but trended down to 7½-8½ per cent. or so.

The minimum-accepted bid at the Treasury bill tender was raised 1½p to £97.35 (equivalent to a decrease of 0.0602 per cent. to 10.6291 per cent.) in the annual discount terms. Bids at this level were met as to about 72 per cent. Applications were cut £74.3m. to £210.2m., although the amount of bills offered was unaltered at £60m. All bills offered were allotted, while next week the offer is raised to £250m. (a figure reflecting the difficulty found lately in reconciling identified money flows with those apparent) against maturities of £60m.

Nov. 2 1973	Sterling Certificates of deposits	Inter-bank	Local Authority deposits*	Local Auth. negotiable bonds	Finance house deposit	Company deposits	Discount market deposits	Treasury bills ◆	Bank bills ◆	Fine trade bills ◆
Overnight	—	7⅛-11⅝	8½-11	—	—	11⅛-12	8-10¾	—	—	—
2 days notice.	—	—	11⅝-11⅞	—	—	12	—	—	—	—
†7 days or 7 days notice.	—	10⅞-11¾	11⅞-12¼	—	12¼	12⅛	10½-11	—	—	—
One month	12⅛-12	12-12¼	12-12¼	12¾-12¼	12¼-12⅝	—	10¾-11⅛	10 1/16-10⅝	11⅛-11⅞	12½-13½
Two months	12⅛-12¼	12 5/16-12 7/16	—	12¾-12¼	12⅜	—	10¾-11⅛	10 7/16-10⅝	11 11/16-11½	12½-13½
Three months	12 9/16-12 7/16	12 7/16-12⅝	12½-12¾	12¾-12¼	12⅝-12¾	—	10¾-11	10⅝-10 11/16	11 15/16-11⅝	12½-13½
Six months	12 13/16-12 11/16	12 11/16-12 13/16	12½-12⅞	12¾-12¼	12⅞-12 13/16	—	—	—	12-12¼	12⅝-13½
Nine months	12 11/16-12¾	12 13/16-12 13/16	—	12¾-12⅞	12⅞-12 13/16	—	—	—	—	—
One year	12⅞-12¾	12 11/16-12 13/16	13-13⅛	12¾-12¼	13	—	—	—	—	—
Two years	12¾-12⅛	12½-12⅝	12¾-13	12¾-12¼	—	—	—	—	—	—

† Local authorities and finance houses seven days' notice, others seven days fixed. * Long-term local authorities mortgage rates nominally 12½-12¾ per cent. for three years; 12½ per cent. for four years; and 12½ per cent. for five years. ◆ Bank bill rates in table are buying rates for prime paper; buying rate for four-month bank bills about 11½-11¾ per cent.; and four-month trade bills 12½-13½ per cent. Approximate selling rate one-month Treasury bills 10½-10¾ per cent.; for two-month 10½-10¼ per cent.; and three-month 10 7/16-10 9/16 per cent. Approximate selling rate for one-month bank bills 11 5/16-11¾ per cent.; for two-month 11 5/16-11 5/16 per cent.; and for three-month 11¾ per cent.; for one-month trade bills 11¾-12 per cent.; two-month 11¾-12 per cent.; and three-month 12 per cent.

Finance House Base Rate (published by the Finance Houses Association): 13¼ per cent. from November 1. Clearing Bank Deposit Rates: For small sums at seven days' notice 9½ per cent., and Base Rates for lending 11 per cent.

Treasury Bills: Average tender rate of discount 10.6017 per cent.

Tax Deposit Account: Deposit earned a basic 8.12 per cent. in the April-June quarter if withdrawn within that quarter, and 7.23 per cent. if not; in the July-Sept. quarter interest accrued at a rate of 7.23 per cent. for deposits withdrawn within the quarter, and if not so withdrawn, at 10.11 per cent.; in the Oct.-Dec. quarter interest accrues at 10.11 per cent. on deposits withdrawn within that quarter, and if not so withdrawn at the average Treasury bill rate for the period.

EXCHANGES AND BULLION

The Japanese yen continued to hold a central position of interest in the foreign exchanges yesterday, following the decision of the Japanese central bank in Tokyo to raise their selling rate for dollar a further Y5 to Y275 (following the Y3.15 increase of the previous day). But attention was also attracted by the Swiss franc, which strengthened following the latest move on bank reserves by the Swiss authorities and on the German mark, which also gained ground, on the Dutch guilder, which weakened in spot dealings, with the Dutch authorities reported to operate in the swap market, and on the Canadian dollar, which rose 36 points to 100.37½ U.S. cents. Sterling improved a shade against major currencies in general, with its trade-weighted average depreciation since the Washington Currency Agreement of December, 1971, narrowing to 18.43 per cent., from Thursday's 18.45 per cent.

The guilder lost 12 points in terms of the dollar to Fl.2.5555, but the Swiss franc rose 112½ points to Frs.3.0752½, and the German mark 55 points to DM2.4460. Sterling ended 8 points lower against the dollar, at $2.4337-4347.

Gold rose $1½ an ounce on balance in London to $98-99, in fair business. The metal opened at the previous $96½-97½, but the morning fixing was at $98.00 (£40.215), and the afternoon at $98.50 (£40.425), with some earlier sellers appearing to cover their positions. New sovereigns ended at $29½-30½, and old at $33½-34½, while double Eagles were at $168-$170, single at $75-77, and half at $44-46, with 20-mark pieces at $38-42.

FOREIGN EXCHANGES

Nov. 2 1973	Bank Rate %	Day's Spread	Close
New York	[illegible]	[illegible]	[illegible]
Montreal	[illegible]	[illegible]	[illegible]
Amst'dam	[illegible]	[illegible]	[illegible]
†Brussels	[illegible]	[illegible]	[illegible]
Copen'gn	[illegible]	[illegible]	[illegible]
Frankf't	[illegible]	[illegible]	[illegible]
Lisbon	[illegible]	[illegible]	[illegible]
Madrid	[illegible]	[illegible]	[illegible]
◆Milan	[illegible]	[illegible]	[illegible]
Oslo	[illegible]	[illegible]	[illegible]
†Paris	[illegible]	[illegible]	[illegible]
Stock'hlm	[illegible]	[illegible]	[illegible]
Tokyo	[illegible]	[illegible]	[illegible]
Vienna	[illegible]	[illegible]	[illegible]
Zurich	[illegible]	[illegible]	[illegible]

††Basic discounts. [illegible]

OTHER MARKET RATES

[illegible]

EXCHANGE CROSS-RATES

Nov. 2	Frankfurt	New York	Paris	Brussels	London	Amsterdam	Zurich
Frankfurt	—	2.447-448	57.80-90	6.57-58	5.966-970	96.00-10	79.30-40
N. York	40.86-90	—	23.71-73	2.722-725	2.4351-4356	39.12-15	32.54-56
Paris	172.82-85	[illegible]	—	11.49-52	10.30-32½	165.55-60	137.06-20
Brussels	[illegible]	[illegible]	[illegible]	—	[illegible]	[illegible]	[illegible]
London	[illegible]	[illegible]	[illegible]	[illegible]	—	[illegible]	[illegible]
Amst'dam	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	[illegible]
Zurich	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—

U.S. $ in Montreal [illegible]

EURO-CURRENCY INTEREST RATES◇

Nov. 2 1973	Sterling	U.S. Dollar	Canadian dollar	Dutch guilders	W. German mark	Swiss franc
†Short-term	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 days' notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One year	12 7/16-12 11/16	8½-8	[illegible]	7¾-8	8¾-7	[illegible]

Longer-term Euro-dollar rates were as follows: two years 8½-8¾ per cent.; three years 8½-8¾ per cent.; four years 8 11/16-8 13/16 per cent.; and five years 8½-8¾ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 10½-10 per cent.; three months 9½-9¾ per cent.; six months 9½-9 1/16 per cent.; one year 8 13/16-8¾ per cent.

◆ Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars are two days' notice for guilders, marks and Swiss francs

FORWARD RATES

	One month	Three months
New York	[illegible]	[illegible]
Montreal	[illegible]	[illegible]
Amst'dam	[illegible]	[illegible]
Brussels	[illegible]	[illegible]
Copen'gn	[illegible]	[illegible]
Frankfurt	[illegible]	[illegible]
Lisbon	75 c.pm-par	220-20 c. pm
Milan	5-1 lire pm	10-5 lire pm
Oslo	5 ore pm-par	7½-4½ ore pm
Paris	1¾-¾ c. pm	4½-3½ c. pm
Stockholm	1 ore pm-2 dis	9-5 ore pm
Vienna	50 gro. pm-par	110-40 gro pm
Zurich	4½-3¼ c. pm	12½-11½ c. pm

Six-month forward dollar 4.72-4.67 c.pm. and 12-month 9.75-9.65 c.pm.

Bank base rates Page 19

ICI to pay cancer victim £24,705

A FORMER Dunlop Rubber company worker, who developed cancer of the bladder ten years ago, was awarded £24,705 damages in the High Court yesterday.

Mr. Justice Reeve gave judgment for Mr. Albert Leslie Bott, 63, of Longmeadow Crescent, Shard End, Birmingham, against Imperial Chemical Industries, manufacturers of a chemical which caused Mr. Bott's condition and resulted in his bladder being removed in 1968. ICI had admitted liability.

The case was heard in Birmingham on October 18.

The judge said Mr. Bott was working in the tube department at Dunlop when he developed symptoms of bladder cancer in 1963.

Because of the possibility that the cancer would recur, Mr. Bott's life expectancy had been reduced, said the judge.

Judgment was entered for £22,705 damages, agreed interest of £2,000, and costs.

BUILDING SOCIETY RATES

	Dep.	Share Accnts.	Sub'pn Shares	Term Shares
Abbey National	7.25%	7.50%	8.0 %	—
Alliance	7.25%	7.50%	—	7.75%
Anglia	7.25%	7.50%	8.0 %	7.75%
Bradford & Bingley	7.25%	7.50%	8.0 %	7.75%
Chelsea	7.25%	7.60%	7.85%	—
Derbyshire	7.25%	7.50%	8.75%	—
Halifax	7.25%	7.50%	8.0 %	—
Hendon	7.35%	7.77%	—	*8.05%
Leicester Permanent	7.25%	7.50%	8.0 %	7.75%
Nationwide	7.25%	7.50%	8.0 %	7.75%
Northern Rock	7.25%	7.50%	8.25%	‡8.0 %
Paisley	7.25%	7.50%	8.00%	—

* Six months min. ‡ Three years.

LOCAL AUTHORITY DEPOSIT RATES

Local Authority	Rate	Min. sum	Period years	Rate	Min. sum	Period years
*Bradford County B.C.	10¾%	£500	3-4	—	—	—
London B. Wandsworth	11½%	£500	1-2	10¾%	£50	1-2

* Special terms for £25,000 and over.

ACTIVE STOCKS

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price	Change on week	1973 high	1973 low
BP	£1	95	558	+ 4	600	465
House of Fraser	25p	72	140	+ 4	158	104
ICI	£1	68	246	− 1	294	235
Burmah Oil	£1	54	440	− 3	506	384
Amal. Inv. & Prp.	25p	53	154	+ 9	158	69
Reed Intl.	£1	48	296	+ 3	336	251
Lonrho	25p	49	92	+10	132	54
"BATS"	25p	47	282	− 5	303	231
Jardine Matheson	$HK6.0	46	865	+35	£12	595
Shell Transport	25p	47	258	− 7	363	253
Glaxo Holdings	50p	45	432	+10	464	336
RTZ	25p	45	225	− 5	270	200
Boots	25p	43	287	− 7	310	225
HK & Sh'ghai Bk.	$HK2.5	44	325	− 2	405	228
Grd. Metropolitan	50p	43	101	− 5½	194½	99

YESTERDAY—

Prices in pence except where otherwise indicated.

Stock	Denomination	No. of marks	Closing price	Change on day	1973 high	1973 low
Town & City	10p	14	102½	+ 3½	110	81
House of Fraser	25p	12	140	+ 2	158	104
Press (Wm.)	5p	12	28	—	45	26
BP	£1	11	558	− 2	600	465
Keith & Hend'son	5p	11	147	+10	147	60
Lonrho	25p	11	92	+ 1	132	54
MEPC	25p	11	239	+ 6½	263½	168
Tricentrol	25p	11	208	+10	210	145
British Land	25p	10	218	+ 5½	221	132
ICI	£1	10	246	− 3	294	235
Imp. Cont. Gas	£1	10	730	+27	730	610
HK & Sh'ghai Bk.	$HK2.5	9	325	+ 5	405	228
Land Secs.	50p	9	247½	+ 7	249½	157
Nat. Westminster	£1	9	370	− 2	473	325
Burmah Oil	£1	8	440	+ 4	506	384

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and The Faculty of Actuaries

EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section.)

	Group	Fri. Nov. 2 Index No.	Day's Change %	Est. Earnings yield % (full)	Gross Div. yield %	Est. P/E Ratio (net)	Est. P/E Ratio (nil)	Thurs. Nov. 1 Index No.	Wed. Oct. 31 Index No.	Tues. Oct. 30 Index No.	Monday Oct. 29 Index No.	Year ago (approx.) Index No.	1973 High	1973 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (185)	164.27	−0.2	10.60	4.28	13.05	13.04	164.65	165.31	165.50	165.98	173.02	186.03 (17/1)	163.79 (6/9)	206.37 (4/5/72)	88.82 (23/6/66)
2	Building Materials (29)	165.87	−0.5	12.09	4.30	11.33	11.33	166.64	167.97	168.30	168.97	183.55	196.69 (2/1)	157.90 (12/9)	253.84 (2/6/72)	85.01 (25/6/62)
3	Contracting, Construction (22)	296.21	−0.4	10.71	2.79	13.17	13.13	297.48	297.17	298.35	299.09	326.10	348.47 (17/1)	263.95 (5/3)	389.33 (19/5/72)	84.39 (27/6/66)
4	Electricals (17)	288.02	+0.1	10.43	3.57	13.15	13.15	287.76	289.61	289.55	290.84	283.01	307.90 (9/1)	258.46 (4/9)	350.04 (4/5/72)	84.71 (25/6/62)
5	Engineering (Heavy) (15)	176.26	−0.6	11.60	4.40	11.37	11.37	177.25	177.37	178.58	179.28	155.75	202.57 (8/6)	163.41 (5/3)	202.57 (8/6/73)	151.45 (22/9/72)
6	Engineering (General) (65)	136.47	−0.2	10.31	5.21	13.54	13.55	136.78	136.95	136.91	136.95	147.38	158.54 (2/1)	128.16 (11/9)	168.59 (4/5/72)	128.16 (11/9/73)
7	Machine and Other Tools (13)	57.75	+0.1	4.92	6.79	35.53	32.65	57.70	57.78	57.68	58.25	56.77	67.88 (8/6)	56.13 (5/9)	136.70 (4/7/66)	43.86 (5/3/71)
8	Miscellaneous (24)	149.99	−0.2	9.25	4.14	15.10	15.07	150.25	150.98	151.28	151.70	159.26	173.76 (11/1)	141.59 (12/9)	177.41 (27/4/72)	69.01 (8/11/65)
9	CONSUMER GOODS (DURABLE) (59)	174.48	—	11.50	3.53	12.07	12.05	174.39	175.25	175.61	176.44	197.04	210.88 (11/1)	163.78 (5/9)	227.78 (21/4/72)	79.16 (26/6/62)
10	Lt. Electronics, Radio TV (14)	214.99	+0.2	9.09	2.10	15.35	15.28	214.63	216.21	215.95	216.35	230.84	251.93 (11/1)	197.21 (11/5)	257.41 (19/5/72)	71.10 (18/1/66)
11	Household Goods (16)	217.65	+0.7	13.41	3.68	10.33	10.27	216.23	216.49	218.37	217.51	234.05	237.99 (2/1)	198.60 (5/9)	263.22 (4/5/72)	86.65 (26/6/62)
12	Motors and Distributors (29)	92.77	−0.4	14.58	5.68	9.48	9.46	93.15	93.38	93.80	95.02	115.59	122.75 (17/1)	92.77 (2/11)	170.59 (15/1/69)	75.92 (24/10/62)
13	CONSUMER GOODS (NON-DURABLE) (169)	174.57	+0.3	9.85	4.20	14.00	13.88	174.01	174.40	174.93	175.80	208.67	212.13 (2/1)	163.43 (5/9)	226.06 (16/6/72)	83.71 (8/11/66)
14	Breweries (16)	205.74	+0.7	9.63	4.24	14.84	14.84	204.36	201.43	201.88	204.07	254.11	265.23 (2/1)	187.61 (27/7)	261.87 (28/11/72)	80.30 (30/6/66)
15	Wines and Spirits (8)	208.56	+0.8	8.80	4.06	16.05	16.05	205.96	206.39	206.62	207.78	213.12	216.12 (17/1)	174.44 (11/7)	257.40 (13/7/72)	118.78 (15/6/70)
16	Entertainment, Catering (16)	217.41	−0.1	11.39	4.63	11.95	11.93	217.61	218.53	219.85	220.88	294.76	323.23 (19/7)	204.05 (6/9)	329.99 (12/12/72)	30.11 (23/7/62)
17	Food Manufacturing (24)	152.46	+0.2	11.03	4.40	12.43	12.43	152.22	152.98	154.04	153.99	184.89	187.87 (2/1)	145.91 (5/9)	211.65 (1/5/72)	96.98 (15/6/70)
18	Food Retailing (18)	161.89	+0.1	8.30	2.99	17.05	17.05	161.67	163.11	163.12	163.21	202.55	217.48 (2/1)	151.08 (27/7)	235.08 (15/9/72)	94.62 (25/5/70)
19	Newspapers, Publishing (16)	229.68	−0.2	11.10	3.82	12.78	12.78	230.10	231.48	233.35	233.30	234.14	260.29 (18/1)	216.08 (12/9)	260.29 (18/1/73)	81.74 (6/2/62)
20	Packaging and Paper (14)	104.40	−0.5	10.86	5.22	12.60	12.57	104.92	105.43	106.22	106.28	128.03	126.47 (2/1)	95.32 (12/9)	135.69 (28/4/72)	87.91 (25/6/62)
21	Stores (28)	159.51	+0.4	8.29	3.49	17.22	17.21	158.90	160.22	160.87	161.99	187.91	186.50 (2/1)	148.34 (9/3)	204.39 (16/5/72)	72.74 (8/11/66)
22	Textiles (20)	178.79	+0.1	12.76	5.17	9.22	8.60	178.59	178.84	178.69	180.22	221.28	213.80 (2/1)	161.65 (6/9)	253.72 (17/5/68)	89.90 (20/7/62)
23	Tobacco (3)	249.74	+0.9	11.30	6.30	12.30	12.25	247.61	245.80	244.19	246.05	287.07	289.66 (2/1)	236.48 (6/9)	339.16 (2/6/72)	94.34 (13/6/62)
24	Toys and Games (6)	71.24	−0.4	10.93	3.09	12.76	12.76	71.53	72.48	73.16	73.04	71.56	80.79 (15/1)	61.76 (24/8)	135.72 (16/1/70)	44.90 (9/9/71)
	OTHER GROUPS															
25	Chemicals (22)	168.81	−0.1	8.02	4.19	16.85	16.82	169.01	169.69	170.31	169.46	183.02	191.47 (17/1)	155.24 (4/9)	201.92 (31/1/69)	93.29 (25/6/62)
26	Office Equipment (10)	190.87	—	5.35	2.22	24.65	24.65	190.89	189.54	191.54	193.34	209.82	227.62 (9/1)	163.93 (21/6)	246.06 (1/9/72)	109.12 (26/5/70)
27	Shipping (10)	473.84	+0.3	8.43	3.72	14.10	12.75	472.27	470.54	469.11	470.90	490.16	515.97 (18/1)	420.07 (6/9)	517.00 (6/12/72)	90.80 (29/6/62)
28	Miscellaneous (41)	204.72	—	9.54	5.84	14.75	14.74	204.81	205.49	206.72	207.09	237.45	252.39 (17/1)	186.32 (6/9)	258.83 (2/5/72)	76.52 (6/11/66)
29	INDUSTRIAL GROUP (496)	176.59	+0.1	9.75	4.05	14.11	14.00	175.44	176.81	177.43	178.01	200.41	207.00 (2/1)	164.67 (5/9)	220.17 (1/5/72)	120.61 (2/3/71)
30	Oil (4)	275.76	−0.2	5.45	4.46	24.33	18.37	276.24	273.42	271.74	275.67	301.50	328.39 (15/1)	247.06 (15/10)	431.66 (29/5/69)	87.23 (29/5/62)
31	500 SHARE INDEX	185.23	+0.1	9.22	4.10	14.67	14.42	185.13	185.34	185.68	186.55	209.25	217.40 (10/1)	173.51 (6/9)	227.95 (16/8/72)	84.86 (26/6/62)
32	FINANCIAL GROUP (101)	198.19	+0.6	—	3.09	—	—	196.92	197.45	196.52	197.66	214.71	230.42 (9/1)	173.06 (6/9)	241.41 (21/4/72)	69.83 (30/6/64)
33	Banks (6)	218.11	−0.6	12.30	2.88	11.49	11.49	219.41	222.34	218.01	221.47	258.43	269.62 (9/1)	189.81 (6/9)	288.32 (20/7/71)	69.25 (16/6/64)
34	Discount Houses (8)	196.70	−0.4	—	5.96	—	—	197.43	195.80	198.88	200.93	227.35	258.57 (23/6)	167.32 (7/9)	293.13 (2/5/72)	87.65 (18/6/68)
35	Hire Purchase (5)	346.71	+1.0	9.88	3.64	14.38	14.38	343.29	348.38	342.53	342.15	378.83	374.92 (9/1)	288.83 (7/8)	433.72 (4/5/72)	80.02 (3/6/65)
36	Insurance (Life) (9)	144.19	—	—	3.75	—	—	144.19	144.14	144.58	146.14	177.90	186.26 (8/1)	128.52 (6/9)	194.46 (15/3/72)	61.35 (30/6/66)
37	Insurance (Composite) (8)	108.59	+0.3	—	4.70	—	—	108.29	107.89	107.96	108.72	132.26	141.37 (9/1)	102.16 (6/9)	155.76 (21/4/72)	54.40 (16/3/66)
38	Insurance (Brokers) (8)	221.71	+0.4	7.18	3.34	19.70	19.70	220.93	218.91	219.66	219.28	233.92	249.06 (2/1)	190.98 (28/8)	262.57 (12/12/72)	82.69 (24/7/69)
39	Merchant Banks (18)	201.22	—	—	2.75	—	—	201.22	201.83	201.22	202.92	214.85	253.12 (9/1)	184.86 (6/9)	278.57 (1/6/72)	50.47 (15/7/65)
40	Property (29)	343.88	+2.8	3.04	1.80	44.44	43.56	334.44	333.54	332.91	331.91	280.04	343.88 (2/11)	222.63 (2/3)	343.88 (2/11/73)	56.01 (20/4/65)
41	Miscellaneous (10)	199.19	+0.7	9.83	4.47	14.46	14.46	197.87	199.37	200.15	200.49	235.76	261.14 (17/1)	174.94 (6/9)	303.15 (18/6/72)	120.06 (31/12/70)
42	Investment Trust Group (50)	187.56	+0.1	3.06	3.08	32.85	32.71	187.41	188.56	190.59	190.47	217.11	225.13 (18/1)	171.91 (12/9)	245.79 (25/4/72)	80.84 (29/6/62)
43	ALL-SHARE INDEX (651)	186.88	+0.2	—	3.82	—	—	186.51	186.83	186.96	187.85	209.44	219.02 (10/1)	172.39 (6/9)	228.18 (1/5/72)	83.72 (25/6/62)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (10)	453.25	−0.6	4.80	4.46	27.77	22.24	456.13	465.86	465.97	457.28	335.44	555.37 (25/7)	415.62 (22/1)	555.37 (25/7/73)	84.68 (25/8/65)
45	Teas (10)	110.69	+1.5	2.95	7.94	52.42	39.53	109.29	109.67	107.70	105.81	99.26	120.92 (16/1)	102.71 (25/9)	121.47 (1/5/72)	59.96 (14/11/63)
46	Coppers (4)	387.10	−0.8	26.22	12.39	3.81	3.81	390.29	389.90	391.30	384.81	423.07	567.78 (13/7)	350.66 (6/9)	567.78 (13/7/73)	94.08 (29/4/62)
47	Mining Finance (11)	100.47	−0.5	6.70	3.02	16.01	15.98	100.96	100.64	100.60	101.33	112.88	127.69 (26/7)	97.24 (19/10)	175.90 (28/4/69)	70.93 (2/11/71)
48	Tins (8)	96.05	+0.1	7.46	6.67	17.97	14.21	95.99	96.76	96.44	95.58	89.86	125.34 (12/1)	85.67 (12/9)	125.34 (12/1/73)	64.83 (27/5/71)

	FIXED INTEREST	Friday, Nov. 2 Index No.	Friday, Nov. 2 Yield %	Thursday Nov. 1	Wed. Oct. 31	Tuesday Oct. 30	Monday Oct. 29	Friday Oct. 26	Thursday Oct. 25	Wed. Oct. 24	Year ago (approx.)	1973 High	1973 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	11.33	11.33	11.32	11.32	11.32	11.31	11.37	11.30	9.60	—	—	—	—
2	20-yr. Govt. Stocks (6)	62.89	‡10.47	62.78	62.80	62.92	63.17	63.25	63.01	63.27	74.75	74.22 (23/1)	61.00 (13/9)	118.42 (11/9/63)	61.00 (13/9/73)
3	20-yr. Red. Deb. & Loans (15)	61.38	‡12.10	61.38	61.44	61.44	61.23	61.46	61.46	61.55	71.41	72.05 (22/2)	60.34 (1/10)	113.45 (23/10/63)	60.34 (1/10/73)
4	Investment Trusts Prefs. (15)	55.65	11.89	55.65	55.65	55.10	55.10	55.14	55.67	55.67	71.25	69.76 (16/1)	52.81 (11/9)	114.41 (13/9/63)	52.81 (11/9/73)
5	Coml. and Indl. Prefs. (20)	69.32	11.24	69.23	69.20	69.17	69.17	69.37	69.25	68.94	78.85	77.33 (5/1)	66.90 (17/9)	114.41 (7/10/63)	66.90 (17/9/73)

Section or Group	Base Date	Base Value
Engineering (Heavy)	31/12/71	153.84
Engineering (General)	31/12/71	153.84
Food Manufacturing	29/12/67	114.13
Food Retailing	29/12/67	114.13
Insurance Brokers	29/12/67	96.67
Mining Finance	29/12/67	100.00
Wines and Spirits	16/1/70	144.76
Toys and Games	16/1/70	135.72
Office Equipment	16/1/70	162.74
Industrial Group	31/12/70	128.06
Miscellaneous Financial	31/12/70	128.06
All Other	10/4/62	100.00

‡ Redemption yield. F.T.-Actuaries Indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the F.T.-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 16p. Commonwealth 19p. Foreign 22p.

INSURANCE, PROPERTY, BONDS

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F.T. SHARE INFORMATION SERVICE

BRITISH FUNDS

1973 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
99½	97½	Treasury 5¼pc 1973	99xd	+1/16	5.28	10.09
98	94	Conv 5½pc 1974	97¼	+	5.39	9.96
98½	95⅝	Treasury 5¼pc 1974	96	−¼	5.77	10.11
99⅞	95	Treasury 6¾pc 1974	96xd	+	7.00	10.15
97	93	Treasury 6pc 1975	95	+	6.29	9.99
99	94	Treas 8pc '75	96¼xd	+	8.27	10.39
92⅝	88	Savings 3pc '65-75	91	+	3.28	8.30
95	90	Exch 6½pc 1976	91	+	7.08	10.53
95¼	89	Treasury 6½pc 1976	90	+	7.16	10.36
98½	96	Victory 4pc 1976	96	.....	4.14	5.83
98	98½	Treasury 10½pc 1976●	98	+	10.62	10.93
91	85	Treasury 6¼pc 1977	88	+	7.09	10.53
87	62	Electric 3pc '74-77	85	.....	3.53	8.15
85¼	80	Transport 4pc '72-77	82	+	4.86	9.22
101	91	Treasury 9pc 1978	93	+	9.69	11.06
86	77¼	Exchequer 5pc '76-78	81	+	6.12	9.78
		Five to Fifteen Years				
75½	69¼	Treasury 3pc 1979●	72	+	4.19	9.40
81	71⅞	Electric 4¼pc '74-79	75½	+	5.67	9.95
77	70⅝	Do 3½pc '76-79	72¼xd	+	4.84	9.66
100	89	Treasury 9pc 1980●	91	+½	9.97	11.17
75	68	Treasury 3½pc '77-80	71½	+¼	4.99	9.73
83¼	74	Funding 5¼pc '78-80	77	+¼	6.97	10.52
75¼	65	Treasury 3½pc '79-81	68	+¼	5.15	9.74
97	85½	Do 8½pc '80-82	88⅝	+¼	9.89	11.13
80⅝	70¼	Funding 5½pc '82-84	73	+¼	7.68	9.98

Over Fifteen Years

Undated

"Tap" Stocks

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

PUBLIC BOARD AND OTHER LOANS

FOREIGN BONDS AND RAILS

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

S.E. List Premium 24⅜% (based on $2.4383 per £)

CANADIANS

1973 High	Low	Stock	Price	+ or −	Div.	Cvr	Yld
24½	11	Bow Valley‖	19	−	10c	—	0.2
11½	815p	Brascan‖	11⅛	+	$1.08	—	3.6
133p	32½p	Cabot Expl	93p	+5	—	—	—
16	12	Can.Imp.Bk. $2	15	−	$1.00	†	2.6
865p	710p	Can.Pacific $5	843p	−2	74c	—	3.6
39	32	Do 4pc Deb. £100	35¼	..	4%	—	11.3
200p	90p	Comm. Hldg Met	98p	−2	—	—	—
21	13	Gulf Oil Can.‖	16¼	−1	70c	—	2.7
300p	170p	Hawker Sid. Can.‖	295p	+5	8c	—	—
25¼	18¼	Hollinger $5	24½	−	$1.60	—	2.6
10	790p	Hudson's Bay	10⅞	+	56c	—	2.1
30	17	Hud B Oil G $2½	24⅞	+	70c	—	1.2
26	15½	Imperial Oil‖	22½	−1	60c	†	1.1
635p	430p	Int. Nat. Gas $1	480p	−10	72c	†	6.1
19	11	Int. Nickel	18⅛	−	$1.0	—	2.2
13	735p	Massey Ferg.‖	12⅛	−	80c	—	2.2
22¼	11	Pacific Pet. $1	18½	+	50c	—	1.1
11	510p	Peoples Dept.‖	605p	−25	10c	—	0.7
42p	22p	Place Gas $1	30p	.....	—	—	—
18	950p	Rio Algom	17	+	40c	—	0.9
21	14	Royal Bk.Can. $2	19⅞	−	$1.04	†	2.2
20	13	Tor. Dom. Bk. $2	19½	−	$1.04	†	2.2
23¼	15½	Tra.Can.Pipe $1	17¼	−	$1	—	2.4
700p	525p	White Pass	535p	...	35c	—	2.6

S.E. List Premium 24⅛% (based on $2.4274 per £)

"Recent Issues" and "Rights" Page 19

For Notes, see page 29

BANKS AND HIRE PURCHASE

Hire Purchase etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS, ETC.

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING AND METAL

ENGINEERING AND METAL—Cont.

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS—(Miscell.)

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RUBBERS AND SISAL

1973 High	1973 Low	Stock	Price	+ or −	Net Div.	Cvr	Yld
41	30	Anglo-Indon'sia	35	−1	—	—	—
50	29	Bertam Con. 10p	41	......	12.9	0.9	4.5
64	52	Bradwall 10p	76	......	14.7	0.8	2.8
56	25	Bukit Mert. 10p	46	......	Q12½	ϕ	2.7
114	78	Castlefield 10p	89	......	Q15	1.5	1.7
85	66	Chersonese 10p	73	......	28	0.7	5.5
77½	43	Cons. Plants 10p	55	−1½	15.2	ϕ	3.9
29	20	Dwa Plant 10p	28	......	ϕB—	—	—
45½	17	Gadek 10p	44½	−½	8¼	0.8	2.8
87	59½	Goldn Hope 10p	65xd	......	25.7	ϕ	5.7
7½	4¼	Grand Central 10p	6	......	Q25	—	11.9
445	342	Guthrie Corp £1	335	......	12.9	1.3	4.8
129	82	Highlands 10p	109	−1	†25.7	0.5	3.4
45	21	Kuala Kepong M$1	42½	......	Qh6¼	1.8	1.5
•41	28	Kulim 10p	35	......	11.9	0.8	4.9
60½	41	Ldn. Asiatic 10p	•44½	......	h17.5	1.2	5.6
50	30½	Ldn. Sumatra 10p	34	......	10.3	1.5	4.3
81	36	Malakoff 10p	67	−1	Q12½	1.9	1.9
23	15	Malayalam 10p	15½	......	10½	0.7	9.7
60	36	Muar River 10p	56	......	11	1.4	2.8
56	37	Pataling 10p	41	......	†h16.3	1.1	5.7
67	44	Plantat'n Hds. 10p	51	......	Q21	1.4	4.1
£11½	675	Sungei Krian £1	960	......	Q40	1.1	4.2
•34	17½	Tanjong 10p	28½	......	Q68	1.6	2.8
68	24½	Warren Rub 10p	63ϕ	......	Q25	0.7	0.8

TEAS

India and Bangladesh

1973 High	1973 Low	Stock	Price	+ or −	Net Div.	Cvr	Yld
52	44	Assam & Afr. £1	45		Q4	1.7	8.9
100	76	Assam Doocrs £1	76	......	Q7½	2.3	♠
110	66	Assam Front'r £1	67	......	Q8	Q3.0	11.9
108	76	British Indian £1	76	......	Q6	1.5	7.9
205	39	Cessnock £1	205	+5	ϕ—	—	—
238	170	Cons. Tea & Land £1	225	......	ϕ0.7	—	0.4
145	73	Darjeeling Co £1	80	......	3.5	0.9	6.2
98	68	Jokai £1	68	......	Q8	1.1	11.8
260	100	Jorehaut £1	136	+1	3½	1.2	3.7
134	88	Longbourne £1	91	+2	†2.1	—	3.3
140	90	McLeod Russel £1	140	+3	ϕ3½	1.4	3.7
88	69	Moran £1	80	......	2.9	—	5.2
395	232	Teith Hldgs. £1	395	+15	ϕ5¼	2.8	1.9
94	60	Warren £1	93	......	Q6	1.6	6.4
93	64	Williamson £1	67	+1	4.2	2.1	9.0

Sri Lanka

1973 High	1973 Low	Stock	Price	+ or −	Net Div.	Cvr	Yld
16	9½	Central Prov	15½	......	1¼	—	2.8
69½	46	Clarmore 10p	63	+1	x35	T1.7	7.9
155	129	Crosby House £1	129	−1	Q10½	0.9	8.1
35	35	Lanka	35ϕ	......	Q3½	—	2.4
76	53	Lunuva £1	53	......	2.9	Q1.1	7.9
32	23	Newara Eliya £1	26	......	—	—	—
65	33	Ouvah High £1	36	......	1.5	3.0	5.8
190	128	Pelmadulla £1	130ϕ	......	7.9	1.1	6.6
34	23	Rayne la Hg. 50p	24ϕ	......	ϕB—	—	—
46	21	Tea Corporation	30	......	—	—	—

Africa

1973 High	1973 Low	Stock	Price	+ or −	Net Div.	Cvr	Yld
130	55	Bandanga Hldg.	130	......	b10.5	2.4	2.9
250	222	Blantyre £1	225	−2	14	1.5	8.9
43	34	Peacock Sus. 10p	40	......	Q32½	1.8	6.1
84	66	Ruo Estates	66	......	Q22½	1.3	8.7

MINES—CENTRAL RAND

1973 High	1973 Low	Stock	Price	+ or −	Net Div.	Cvr	Yld
840	205	Durban Deep R1	520	−5	Qt30c	2.3	3.6
590	160	E. Rand Prp. R1	370	+5	Qt15c	4.5	2.6
44	16	Rand Leases 25c	28	......	—	—	—
£10¼	270	Randf'tn Est. R2	695	+25	—	—	—
210	43	West Rand R1	125	+5	Qt8c	—	3.9

EASTERN RAND

1973 High	1973 Low	Stock	Price	+ or −	Net Div.	Cvr	Yld
182	84	Bracken R1	125	+1	Q31c	ϕ	15.2
11	7	Daggafontein 50c	8	......	—	—	—
70	30	East Dag. R1	45	−1	Qt45c	1.1	—
22	11	G'vmnt. Areas 25c	16	......	—	—	—
138	45	Grootvlei 25c	102	+2	Qt13c	1.0	7.8
375	190	Kinross R1	225	+2	Q46c	ϕ	12.6
97	36	Leslie 65c	55	+2	Q8.1c	ϕ	9.0
225	88	Marievale	180	......	Qt30c	1.5	10.2
260	94	S. African Ld. 35c	180	+5	Q220c	—	6.7
120	52	Vlakfontein R1	92	−1	Q22c	1.0	14.7
610	286	Winkelhaak R1	425	+5	Q48c	ϕ	7.0
39	11	Wit. Nigel 25c	21	......	Q1¼c	ϕ	3.7

FAR WEST RAND

1973 High	1973 Low	Stock	Price	+ or −	Net Div.	Cvr	Yld
415	205	Blyvoor 25c	375	+5	Q35c	ϕ	4.9
£12½	415	Buffels R1	950	+10	Q75c	1.9	4.8
705	285	Doornfontein R1	540	+5	Q49c	1.3	5.2
600	245	East Drie R1	365	+5	—	—	—
470	240	Do. Comb. Units	350	......	—	—	—
245	102	Elsburg R1	158	+1	—	—	—
£14½	545	Hartebeest R1	£10½	+⅛	Q100c	1.3	5.8
810	365	Kloof Gold R1	620	+10	Q45c	2.7	4.2
690	350	Do. Comb. Units	565	......	—	—	—
725	355	Libanon R1	525	......	Q57c	1.6	6.3
515	204	Southvaal R0.5	350	+5	—	—	—
300	101	Stilfontein 50c	235	+5	Qm17½c	1.6	4.6
£14¾	710	Vaal Reefs 50c	£11½	+¼	Qt55c	3.3	2.9
340	100	Venterspost R1	200	+5	Q37c	1.6	10.7
£19¾	£11¼	W. Drie R1	£17½	......	Q210c	1.3	6.9
280	113	W'st'rn Areas R1	232	......	Qt16c	2.4	5.5
£20	505	Western Deep R2	795	+5	Qt80c	1.8	6.2
220	82	Zandpan R1	160	+2	Q16.3c	—	6.3

O.F.S.

THE LEX COLUMN

Index rose 0.5 to 431.5

Talk, Tremletts and Tower Assets

The market opens a little lower, and it closes a little higher than the 10 a.m. reading. That, since *Tuesday*, has been the story of the 30 Share Index, and together with the continued strength of the All-Share, it could be taken as further evidence of resilience—this week, in the context of the Wall Street slide. But the active stocks lists suggest a *higher speculative* content, and so long as equities continue to give a broadly neutral reading, there is no percentage *in trying to anticipate* what is going to happen in the immediate future.

Tremletts/Tower

The market took a fairly cautious line on Tower Assets yesterday, leaving it unchanged at 95p after Thursday's 4p rise on the news of a potential merger with Tremletts. On the face of it, there are grounds for caution. Slater Walker has sold just over a fifth of the Tower current equity to Tremletts at 90p; *Tremletts has a reputation* for extremely shrewd dealing; and Tower is not in the strongest possible bargaining position (in p/e terms) considering that its recently reported *half-year* earnings were over 11p a share.

However, Tower's weakness in status terms is balanced by its size; it is bigger in terms of profits—over £4m. pre-tax looks likely this year—and in terms of its near-£18m. ultimate equity capitalisation, although Tremletts' share price is frozen while the full terms of its acquisition of Peerless Industrial Securities are being finalised. *Therefore* the arguments will centre on shares of equity and assets, not the sort of price Tower will accept *in Tremletts paper. There* are stories circulating that Tremletts' attractions will be enhanced, perhaps by institutional links, when the *Peerless* document comes out; but Tower fans will point to the Fijnhout acquisition in Holland—where, the story goes, the property potential could be very exciting. It is also a fair bet that Tower, which has made maybe 18 bids in a couple of years, should be able to hold its end up for one more.

Lamson

The Lamson forecast of £8.4m. pre-tax for 1973, after a £4.15m. first half, is actually a little below one outside estimate, but there is the thought here that Lamson — after falling short of a £5½m. forecast for 1972 — may be all the more keen to make sure this time. As it stands, the forecast implies net earnings of 6.22p a share for *1973. Last night's share price* was 88p, and with Moore Corporation bidding for 40 per cent. of the outstanding equity at 100p the net price ex the interim dividend comes out at 78p for a p/e of 12½.

Shareholders are advised to tender their total holding, to make sure that Lamson, with 20 per cent. already, will get the other 32 per cent. (and the control) that it wants. They should take that advice, since the 10 per cent. re-rating Lamson has seen since the inception of the bid is banking on some of Moore's Canadian growth status being transferred over here. By the same token, they should keep the shares Moore hands back after scaling acceptances down; after all, taking Lamson's holding in Moore out of the p/e arithmetic, the multiple would come down to 9.

See also Page 18

J. Coral

Over nine-tenths of J. Coral's £509,000 profits rise to £4.3m. *after nine months came in the* first quarter; but, acquisitions since then have boosted profits by something over £200,000, and *property dealing has also played* some part. Working from the half-time forecast—second half profits in line with the first six *months—Coral will* need to produce something near third quarter's £1.5m. pre-tax in the final three months: so given the seasonal element *in the* bookmaking business—less volume over the sticks—the suggestion may be that the group is counting on a property dealing profit of something like £200,000 in the October-December period.

Since turnover per betting shop is still on a gently rising trend, the message is that the casinos—nearly three-fifths of last year's profits—are still stuck in a rut. The question is whether this is simply to do with running in costs at Crockford's, the group's fourth central London casino which opened a year ago, or whether economic trends, in consumer spending or in the parity of the dollar, also count. In any event, there is no new reason for enthusiasm about a prospective net p/e of around 10: but then the trading fundamentals may not be that relevant to the recent share price action —up a fifth over the past four weeks, with another 7p rise to 160p yesterday.

See also Page 18

James Finlay

In its bid to unlock the stalemate that exists among the outside shareholders in its four tea associates, James Finlay has a thorny *problem.* Basically, what doubts exist about Finlay's good intentions surround the worth of the paper bids—for outside minorities at Cessnock and West Nile and majorities at Teith and Consolidated Tea—in relation to the underlying assets of the four companies. In the books these assets stand at enormous premiums over the worth of the offers but against that they are largely in India and Bangladesh—where there are (a) problems of sale and (b) problems in remitting any proceeds back to the U.K.

Now Finlay (through Baring Brothers) reckons to have made a real worth assessment of the Far Eastern assets involved. If disclosed, such values may be the crucial factor in justice not only being done but being seen *to be done. After all the income* and earnings attractions of the four estates have been running at nominal levels for years and *Finlay's paper is currently* buoyed up by banking prospects and Slater Walker's 27 per cent. stake.

See also Page 18

MAN OF THE WEEK

He means to make profits

BY HAROLD BOLTER

ROBERT SCHOLEY, the new Chief Executive of the British Steel Corporation, has been a steel man all his working life, although not always by design. Little known outside the industry, he has had a considerable impact within it, particularly over the last six years.

Bob Scholey is a tough, somewhat impatient Yorkshireman who left the King Edward VII school in Sheffield as soon as he could, when he found it becoming irksome, in order to take up an engineering apprenticeship with the English Steels Corporation *in the city.*

Engineering took root, so much so that he decided to plough the difficult route of night school and *a day release degree course* at Sheffield University to obtain higher qualifications.

His studies were interrupted by the war, however, when he joined the Royal Electrical and Mechanical Engineers in 1943 and left four years later with the rank of Captain. On his demobilisation he determined to make a career for himself in pure engineering rather than steel.

Part of a team

Because he needed to earn a *living, however,* he joined Steel, Peech and Tozer at Rotherham as an engineer at a weekly wage of £8 4s. 7d., with the idea that he would stay there *for* a year or so then move to a company such as Rolls-Royce.

In the event Mr. Scholey *found himself part of a team* trying to reconstruct Steel, Peech and Tozer's engineering works and stayed in the steel industry.

He takes a pride in the fact that he has been involved in the "nitty-gritty" of steel, and understands shop floor problems for the best of all reasons—he has been involved in them.

Mr. Scholey's first real position of authority in the steel industry came in 1958 when he was made works manager of Steel, Peech and Tozer's railway materials department and later of its strip and bar mills.

He transferred to Samuel Fox at Stocksbridge, near Sheffield,

in 1965 as works manager, heavy department, *returning to Steel* Peech and Tozer as works manager, steelmaking and primary mills, 18 months later. In January, 1967 he became director and general works manager of the company.

This was the year of nationalisation, but Mr. Scholey was not sufficiently high up in the management hierarchy to worry about the effect it might have on him personally.

And not being a political animal he was not too concerned with the philosophical argument about the rightness of State ownership of steel, beyond a belief that there was a need for rationalisation to prevent the duplication of effort by the various companies in the industry.

Turnabout

In fact Mr. Scholey has prospered and proved himself within the State control system, not least over the past year when he turned a *£200,000 loss* into a £6.2m. operating profit as managing director of the Corporation's strip mills division.

Bob Scholey enjoys a similar reputation within the steel industry as Dr. Monty Finniston, BSC's chairman, who persuaded the Government that Scholey should be appointed chief executive.

Both men are direct, blunt characters who have had to work hard for their success and who believe in the essential management discipline of making profits.

It is typical of Mr. Scholey that he considers his first task as Chief Executive is to concentrate *his attention* on the BSC's main producing works, to ensure that everyone down the line knows exactly what his responsibility is and realises that the Corporation's main responsibility is to make money from steel.

It is typical, too, perhaps, that at *the end of an affable interview* he should make it clear that he does not really see the point of personality interviews for newspapers.

Extended Whitehall study delays BSC price rises

BY HAROLD BOLTER, INDUSTRIAL EDITOR

THE GOVERNMENT is taking an extended look at the British Steel Corporation's plans to bring in price rises averaging 13-14 per cent. and this means that they will not now take effect from Monday as intended.

The impression given by the BSC earlier this week was that the Corporation had received the Government's tacit agreement to the increases. This is not the case.

It is now clear that the Government is concerned about the implications of the BSC's planned rise, which would add nearly £200m. to industrial costs in a full year, for Stage Three of its counter inflation policy.

Under the rules of the European Coal and Steel Community, which the U.K. steel industry joined at the start of the year, *the Government is not supposed* to interfere in the pricing policy of the Corporation.

In practice, however, the *Government still has a great deal* of influence, and on this occasion consideration of BSC's proposals is believed to have been extended beyond the Corporation's *sponsoring Ministry*, the Department of Trade and Industry, to the Treasury and the Prime Minister himself.

This has led to a delay which is longer than the BSC had expected. There could still be pressure on the Corporation to abate its proposals.

The history of the proposed price rise is already complicated. In April, when BSC raised prices by an average of 9.5 per cent., it said another smaller increase would be needed in the autumn.

By mid-summer, it was talking openly about the need for an increase as high as 9½-10 per cent. from the start of November, and this was the position until the start of this week.

Since then, comparisons have been made with prices elsewhere in Europe, which are up to 70 per cent. higher than the BSC's *in some instances.* It was *suggested that a 13-14 per cent. rise* on average was the least which other members of the ECSC *would tolerate.*

An increase of this size would obviously be difficult for the Government at this stage, despite its apparent non-interventionist *role on steel prices.*

A single-figure increase, at 9½ per cent., or at most one in the low double figures, has always *looked more politically* manageable, particularly as this would only be an average.

Some industries could find *themselves paying well over 20* per cent. more for steel within the average of 13-14 per cent., the BSC had in mind. This would *obviously lead to an outcry,* and to more pressure for price rises from user industries.

While the Government makes *up its mind, the BSC is having to* wait, probably with some impatience as each week's delay may cost around £2.5m. in lost *revenue.*

EEC aid for steelworkers

BY KEN GOODING, INDUSTRIAL CORRESPONDENT

ABOUT £7m. from European Community funds is to be made available over the next five years for British steelworkers made redundant by the industry's rationalisation programme.

An outline of the plan was announced in a Parliamentary written reply yesterday by Mr. Tom Boardman, Minister for Industry.

He said that it represented a "significant exercise of the U.K.'s rights as a member of the European Community in securing financial support towards alleviating the social effects of the steel modernisation programme."

The cash will be availble to supplement redundancy, unemployment and social security payments normally available through British State schemes.

It was estimated earlier this year that the British Steel Corporation's rationalisation plans would involve the loss of around 50,000 jobs and it would be reasonable to expect that 45,000 of those affected could be declared redundant.

The Community scheme will also cover workers in the private sector of the steel industry.

Mr. Boardman's announcement comes at a convenient time for the Government in front of next week's by-elections. It gives Conservative candidates ammunition with which to answer the question: what is Britain getting out of Common Market membership?

The U.K. steel industry, in fact, has benefited twice in a week from help from Community membership because on Wednesday *the BSC said* that it was to raise a long-term £14.7m. loan at very favourable interest rates from the European Investment *Bank.*

Discussions about the Community financial aid have been at Government level, but it is understood that Mr. Kenneth Robinson, a former Labour Minister, was deeply involved in the detailed discussions in his *role as acting chief executive of* the BSC.

Negotiations were completed before he handed over to Mr. Robert Scholey, the new BSC chief executive, this week.

The money will come from the European Coal and Steel Community, which in turn gets its funds from levies on individual members.

Similar aid was given to redundant Belgian coal miners by the ECSC right through the 1950s and 1960s.

It is understood that the U.K. Government is well advanced with discussions for an ECSC contribution to existing schemes for special assistance for British coal miners. *Details* of these arrangements should come fairly soon.

Benefits for steel workers will be payable in respect of closures occurring *since the U.K.* entered the Common Market.

They include payments designed to bring a man's or *woman's earnings up to 90 per* cent. of what he or she had been getting in steel industry employment. It has still to be decided *how long these payments will go* on.

Alternatively there will be allowances to ensure that a redundant steel worker suffers no loss of income during a period of retraining. There will be resettlement and removal grants.

There will also be benefits for those who remain unemployed and older men may opt to commute these into an annuity or pension.

Mr. Boardman said that regulations to enable the benefits to be paid would be laid before Parliament shortly.

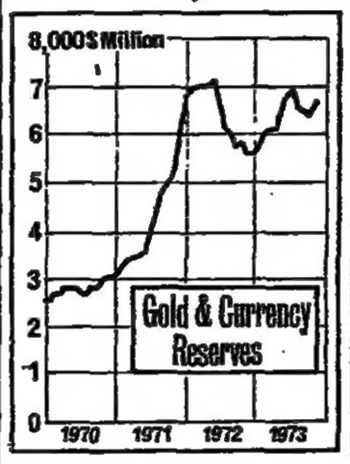
Reserves go up by £155m. in October

By William Keegan, Economics Correspondent

THE GOVERNMENT'S policy of encouraging public sector borrowing overseas was the principal explanation for a $379m. (£155m.) rise in the official reserves to $6,761m. (£2,772m.) during October.

Of this inflow, $357m. was accounted for by official borrowing, and, apart from this, the change in the net reserve position was very small indeed.

The U.K. has been continuing to run a large current account deficit in its balance of payments,



and the fact that the reserves position has been so stable owes a lot to the inflows of capital attracted by high interest rates.

Some of the inflow reflected *the weakness of the dollar* at the outbreak of the Arab-Israeli war and before the news of the improved U.S. balance of *payments figures. It also meant* that during the month the extent of sterling's post-Smithsonian depreciation was reduced from around 19½ per cent. to 18½ per cent. at the end of October and 18.43 per cent. last night.

Unchanged

U.K. interest rates remain relatively high by international standards, and yesterday the Bank of England's Minimum Lending Rate—the successor to Bank Rate—was unchanged at 11¼ per cent.

Treasury Bill Rate—on which MLR is based—was down a little, however (from 10.6696 per cent to 10.6017 per cent.), and the market feeling was that there was at least a chance of a small reduction in MLR during the next fortnight.

Interest rates

Certainly there is no sign at this stage that the U.K. authorities want to raise interest rates any further. An announcement yesterday that the rate of interest on National Savings Bank's Investment Accounts will be increased from 8 per cent. to 9 per cent. on January 1, 1974, is merely a reflection of the *way this rate has lagged behind* the general trend.

Mr. John Nott, Minister of State, Treasury, said in a written answer yesterday: "The National Debt office will be ready to consider applications from individual Trustee Savings Banks to raise the interest rates on deposits in their special investment department within a maxium of 9 per cent. on or after November 21, 1973."

$250m. Euro-loan for British Gas

BY MARY CAMPBELL

THE BRITISH Gas Corporation *is to borrow* $250m. on the Euromarkets. The loan will be for seven years and will be put towards further development of North Sea gas. It is to be managed by Bankers Trust Company, Bank of Tokyo and First Boston (Europe).

This will be the third largest loan to be arranged for a British public sector borrower since the Treasury guarantee against the foreign exchange risk was reintroduced in the Budget last March.

Although the exact terms have not yet been decided, it is likely to bear the marks of the experience gained in the two previous large-scale loans.

These were the $1,000m. loan for the Electricity Council and the $500m. loan for the Post Office. The Electricity Council loan was arranged at floating *rates, and, because of the high* rates of interest on the Eurodollar market during the summer, has proved very expensive.

Though no details of the Post Office loan were ever announced, it is known that it incorporated *a big fixed-interest rate element.* This, too, could prove costly, if average interest rates over the whole life of the Post Office loan are lower than at the time when the loan was negotiated.

On the Gas Corporation loan an attempt has been made to make the best (or avoid the worst) of both worlds. While the loan is fundamentally on a floating rate basis—*that is,* the interest rate payable by the Gas Corporation will be the London Eurodollar Inter-bank rate (LIBO) plus *a spread, or margin* (which represents the lending banks profit)—a provision is also being incorporated whereby over the whole life of the loan the borrower will not on average pay more than a set maximum figure.

While the exact terms of the loan may yet be subject to change, the maximum which the Gas Corporation could possibly end up paying on average is expected to be set at 10 per cent. plus the spread. The spreads over LIBO are expected to be 7/16 of 1 per cent. for the first two years, ½ for the next three years and 9/16 for the last two years.

From the point of view of the borrower, these spreads are somewhat less favourable than those negotiated by the Electricity Council earlier this year.

The Electricity Council's loan carries spreads over LIBO *of* ⅜ per cent. for the first three years, ½ per cent. for the next four, and 5/8 for the final three.

The reason why the spreads will have to be higher is that the lending banks are risking lending at a loss if interest rates are on average above the set average maximum over the life of the loan.

Courtaulds test-market half-synthetic cigarette

COURTAULDS is to go ahead with the test marketing of its *Planet cigarette—which* is half tobacco and half a new synthetic smoking material—in spite of criticism from the tobacco industry and from Action on Smoking and Health.

The trial run will take place in the Midlands from next *Tuesday* and a *Courtaulds* official said: "We would not be satisfied about test-marketing Planet in this small way unless we thought *it* was safer than existing cigarettes."

Decision

The established tobacco companies do not intend to test synthetic tobacco products on the *general public until the Hunter* Committee has reported. Imperial Tobacco, which has also developed a synthetic smoking material, is critical of Courtaulds' decision to go ahead in advance of this report.

The Hunter Committee was set up recently by the Department of Health and Social Security to examine the question of smoking and health. It is expected to be some time before it reports, and much of its time is likely to be taken up with the question of tobacco substitutes in cigarettes.

Action on Smoking and Health (ASH) is also perturbed by the Courtaulds' decision to market Planet. In a letter to Sir Keith Joseph, the Secretary for Health and Social Security, Mr. Mike Daube, the executive director of ASH, comments: "We are concerned that this cigarette is being manufactured in large quantities and may be test marketed before all the relevant information has been placed before the public."

Mr. Daube calls on Sir Keith to prevent the marketing of any synthetic tobacco until the Hunter Committee has reported.

Clouded launch Page 17

Sime Darby shares rally

BY NICHOLAS OWEN

'HARES IN Sime Darby Holdings and its subsidiaries showed signs of recovery on various stock markets yesterday after the previous day's revelations about *the dismissal* and arrest of Mr. Dennis Pinder, chairman of the Singapore-based company.

The London price moved up 5p to 110p *at one stage,* although the shares were 106p at the close. Sime Darby (London) finished 2p up at 106p after 108p.

Sime *Darby Holdings shares* are still suspended in Singapore, although a re-listing is thought possible next week when the accounts may be published.

Shares of Sime's subsidiaries all moved higher on the Singapore market, although in Hong Kong, Sime Darby's price dropped HK$1.20 to HK$11.90. Even so, dealers had expected a sharper fall.

Sime Darby itself and its *auditors have claimed* they are investigating a misapplication of funds totalling £500,000, of which £300,000 has already been recovered. It was alleged that Mr. Pinder and Mr. Angus Scott, a London-based adviser to Sime, were involved. Mr. Scott has also been dismissed from the com*pany.*

Mr. Pinder has been released on £175,000 bail. A police spokesman in Singapore said he had to report to them in a week's time, but no date has yet been set for a court hearing.

Mr. Scott, who lives at Chobham, Surrey, denies any *accusations of impropriety.* He is a director of about 30 companies, many of them connected with businesses in the Far East. His Board posts include the Welsh Hodge Group and Chartered Bank.

Mr. Peter Rudd, chairman of Clive Holdings—the City discount house which became part of Sime last year—explained yesterday that Clive's results had not been included in Thursday's profit figures for Sime because *of the difficulties* created by the discount company's inner reserves.

Discount houses are allowed to *keep* details of such reserves secret, but if Clive's results were put in with the group figures, either Clive would have to publicise its reserves—or obtain Bank of England permission for the whole of Sime to have concealed reserves.

Mr. Rudd described the situation over Mr. Pinder as "very much a domestic matter in the Far East. I don't see London comes into it at all." No instructions were ever passed back and forth between Singapore head office and Clive.

The 1972/73 profits for Sime Darby showed an *£87,000* dividend from Clive—which had been acquired at a cost of £23m. —but Mr. Rudd said the sum was a matter of "internal convenience."

A spokesman for Sime Darby in London said that directors' passports had not been impounded in Singapore, and the company did not anticipate facing any criticism from the Singapore Government.

Continued from Page 1

EEC talks with major oil companies

A *similar feeling appears* to be also behind the informal discussions between OECD officials and oil compaines held in The Hague on Thursday.

Although a meeting of the OECD Oil Committee in Paris last week decided against activating oil-sharing arrangements with the International Industry Advisory Body (IIAB), representatives of the major consuming countries are thought to *have decided to ensure quietly* that the IIAB was brought to an active state in preparation for any sharing move.

Consumer worries have been further raised by a current visit of President Sadat of Egypt to both Kuwait and Saudi Arabia, in order to ensure *full* backing of the "*oil weapon*" *during* the current diplomatic moves in the Middle East.

At the same time, economic experts from the major Gulf producing countries of OPEC, including Iran, are also meeting in Kuwait over the week-end to discuss the future mechanisms *for posted prices* following their dramatic decision last month to abandon the Tehran formula and unilaterally determine prices against "market values."

The decision led to a swingeing 70-100 per cent. rise in posted crudes, effectively increasing the average prices of U.K. imports by *around $1.50-$1.60* per barrel and threatening to increase the country's net import bill on oil by some £500m. a year.

As well as the impact of the immediate increase, one cause of intense concern to consuming governments is the lack of any stability in the new price system. Under this posted prices will rise any time "market prices" move by more than 1 per cent.

By cutting supplies, many fear that the producers have created the very conditions of intense competition for oil which will cause prices to rise further.

U.K. oil companies, which were already considering an application for a further price rise before the latest OPEC move, are now busily revising their applications to take the new circumstances into account.

The amount they will seek to recover is probably around 2p *per gallon* averaged across all products, although many companies would probably prefer to see that the brunt of the rise would be borne by petrol, heating, diesel and gas oils.

Weather

U.K. TO-DAY

GENERALLY CLOUDY, rain in places and hill fog patches. Dry and warm in the South-East.

London, S.E., Cent. S. and E. England, E. Anglia, E. Midlands

Cloudy and dry, perhaps rain later. Wind S.E., light. Max. 13C (55F).

W. Midlands, Channel Is., S.W. England, Wales

Occasional rain, hill fog patches. Wind S., light or moderate. Max. 12C (54F).

N.W., Cent. N. and N.E. England, Lakes, I. of Man, Borders, Edinburgh, E., S.W., and N.W. Scotland, Aberdeen, Glasgow, Cent. Highlands, Argyll, N. Ireland

Cloudy, occasional rain, *fog patches.* Wind S., light or moderate. Max. 11C (52F).

Moray Firth, Caithness, Orkney, Shetland

Cloudy, occasional rain. Wind S., light or moderate. Max. 9C (48F).

Outlook: Rain or showers.

Lighting-up: London 17.[illegible], Manchester 17.04, Glasgow 17.[illegible], Belfast 17.15.

BUSINESS CENTRES

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Alexandria	[illegible]	[illegible]	[illegible]	Madrid	[illegible]	[illegible]	[illegible]
Amsterdam	[illegible]	[illegible]	[illegible]	Manchester	[illegible]	[illegible]	[illegible]
Athens	[illegible]	[illegible]	[illegible]	Melbourne	[illegible]	[illegible]	[illegible]
Bahrain	[illegible]	[illegible]	[illegible]	Mexico C.	[illegible]	[illegible]	[illegible]
Beirut	[illegible]	[illegible]	[illegible]	Milan	[illegible]	[illegible]	[illegible]
Belfast	[illegible]	[illegible]	[illegible]	Montreal	[illegible]	[illegible]	[illegible]
Belgrade	[illegible]	[illegible]	[illegible]	Moscow	[illegible]	[illegible]	[illegible]
Berlin	[illegible]	[illegible]	[illegible]	Munich	[illegible]	[illegible]	[illegible]
Birmghm	[illegible]	[illegible]	[illegible]	Newcastle	[illegible]	[illegible]	[illegible]
Bristol	[illegible]	[illegible]	[illegible]	New York	[illegible]	[illegible]	[illegible]
Brussels	[illegible]	[illegible]	[illegible]	Oslo	[illegible]	[illegible]	[illegible]
Budapest	[illegible]	[illegible]	[illegible]	Paris	[illegible]	[illegible]	[illegible]
B. Aires	[illegible]	[illegible]	[illegible]	Perth	[illegible]	[illegible]	[illegible]
Cairo	[illegible]	[illegible]	[illegible]	Prague	[illegible]	[illegible]	[illegible]
Cardiff	[illegible]	[illegible]	[illegible]	Reykjavik	[illegible]	[illegible]	[illegible]
Cologne	[illegible]	[illegible]	[illegible]	Rio de Jo	[illegible]	[illegible]	[illegible]
Copnhagn	[illegible]	[illegible]	[illegible]	Rome	[illegible]	[illegible]	[illegible]
Dublin	[illegible]	[illegible]	[illegible]	Singapore	[illegible]	[illegible]	[illegible]
Edinb'rgh	[illegible]	[illegible]	[illegible]	Stockholm	[illegible]	[illegible]	[illegible]
Frankfurt	[illegible]	[illegible]	[illegible]	Strasbrg	[illegible]	[illegible]	[illegible]
Geneva	[illegible]	[illegible]	[illegible]	Sydney	[illegible]	[illegible]	[illegible]
Glasgow	[illegible]	[illegible]	[illegible]	Tehran	[illegible]	[illegible]	[illegible]
Helsinki	[illegible]	[illegible]	[illegible]	Tel Aviv	[illegible]	[illegible]	[illegible]
H. Kong	[illegible]	[illegible]	[illegible]	Tokyo	[illegible]	[illegible]	[illegible]
Jo'burg	[illegible]	[illegible]	[illegible]	Toronto	[illegible]	[illegible]	[illegible]
Lisbon	[illegible]	[illegible]	[illegible]	Vienna	[illegible]	[illegible]	[illegible]
London	[illegible]	[illegible]	[illegible]	Warsaw	[illegible]	[illegible]	[illegible]
Luxembrg	[illegible]	[illegible]	[illegible]	Zurich	[illegible]	[illegible]	[illegible]

HOLIDAY RESORTS

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Ajaccio	F	18	64	Jersey	C	12	[illegible]
Algiers	S	25	77	Las Plms	S	24	[illegible]
Barcelona	C	18	64	Locarno	C	10	[illegible]
Biarritz	C	21	70	Luxor	S	[illegible]	[illegible]
Blackpool	C	12	54	Majorca	F	[illegible]	[illegible]
Bordeaux	C	16	61	Malaga	C	[illegible]	[illegible]
Boulogne	C	12	54	Malta	C	[illegible]	[illegible]
Casablnca	C	29	84	Nairobi	S	[illegible]	[illegible]
Cape Tn	S	22	72	Naples	S	[illegible]	[illegible]
Corfu	F	18	64	Nice	C	[illegible]	[illegible]
Dubrovnik	C	14	57	Nicosia	C	[illegible]	[illegible]
Faro	F	20	68	Oporto	C	[illegible]	[illegible]
Florence	S	14	57	Rhodes	S	[illegible]	[illegible]
Funchal	R	19	66	Salzburg	S	[illegible]	[illegible]
Gibraltar	C	18	64	Tangier	C	[illegible]	[illegible]
Guernsey	C	12	54	Tenerife	S	[illegible]	[illegible]
Innsbruck	S	11	52	Tunis	S	[illegible]	[illegible]
Inverness	S	11	52	Valencia	S	[illegible]	[illegible]
I. of Man	C	13	55	Venice	S	[illegible]	[illegible]
Istanbul	F	8	46				

S—Sunny. F—Fair. C—Cloudy. R—Rain. D—Drizzle. Fg—Fog.

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